

BULLETIN

OF THE

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**Proceedings of the Twelfth Annual Convention of
the National Association of Credit Men,
Held at the Auditorium Hotel, Chicago,
Illinois, June 12, 13 and 14, 1907.**

Wednesday, June 12, 1907.

MORNING SESSION.

The convention was called to order at 11 o'clock A. M., by President O. G. Fessenden.

President Fessenden—The convention will be opened by the Rev. W. O. Shepard, pastor of the First Methodist Episcopal Church of Englewood, who will offer prayer.

Rev. W. O. Shepard—O, Lord, Our God, Thou Almighty King of Men, it is proper that at all times and in all places we should acknowledge Thee. Thou art the giver of all life, of all light, of all liberty. Every good and perfect gift cometh down from the Father of Light.

We give Thee thanks this morning. We give Thee thanks for our lives in this so highly-favored land; that Thou hast given us a career at this time, that this is our generation.

Behold how Thou hast blessed our land and our times; what prosperity Thou hast given us, what opportunities Thou hast endowed us with.

God has been good to us and laid upon us mighty responsibilities. Now, we come praying that Thou wilt, with all Thy mercies give us an appreciation of our place, of our time, of our opportunities and of our duties.

We pray for Almighty God's blessing upon the land in which we live, upon those who are in places of great responsibility, of great opportunity.

We pray for Thy blessing upon the President of these United States, upon the Governor of the State, upon the Mayor of this city, upon all officers, upon all those who have responsibility resting upon them. May God be their help and strength.

We pray for Thy blessing to continue upon the land in which we live; guide and guard and direct us, O Lord, our King.

Let Thy blessing be upon this convention, upon the officers of this convention, upon those who speak and work here, upon the business that is transacted. We pray that Thou will so guide them in the affairs of this hour and the following hours that Thy will may be done; that men may be strengthened, that Thy blessing may follow the business of this session.

This is our prayer, O God. We remember that Thou art our King; we reverentially bow in Thy presence. May Thy spirit be in our hearts. Hear us in this our prayer, we ask in the name of the Redeemer. Amen.

President Fessenden—The Governor of the State, being unable to be present, has sent to us a member of his official family, of his staff, to bid us welcome. I have the honor of introducing to you Col. Frank S. Dickson, of Springfield, Illinois. (Great applause.)

ADDRESS OF COLONEL FRANK S. DICKSON.

Mr. Chairman, Ladies and Gentlemen:

The Governor was invited by your committee to be present and address this Association for a few minutes this morning, extending to it the welcome of the State of Illinois.

Unfortunately the press of public business is so great with the Governor now that it was impossible for him to leave Springfield. That was both unfortunate for the Governor and unfortunate for this convention. Just what particular office I hold at this time and my duties, I am unable to state exactly. I think I am somewhat in the position of the sailor friend of mine who was with Admiral Sampson's fleet in the battle of Santiago. After he came back to New York City from that fight, some of the boys obtained shore leave, and characteristic of a sailor, proceeded to get hilariously drunk. It was a beautiful Sabbath morning and my drunken sailor friend wandered down the broad thoroughfares of your beautiful city, and happened to pass the open door of a magnificent church edifice, and, characteristic of a drunken man and the mule that inhabits the country down in Egypt from which I hail,—he did the thing which he should not have done, and staggered into the church, while the rector was holding forth on the text something about the great division on the day of judgment, when those who had lived righteous lives would be placed on the right hand, and those who had lived otherwise would be found on the left hand of the Lord; when those on the right would be known as the sheep and those on the left would be known as the goats; and after pointing out the disadvantages of being found on the goat side of the proposition at that particular period of the world's history, the clergyman advanced to the front of the pulpit stand, raised his hand in exhortation and said: "Now, my brethren, who will be the goat, who will be the goat?" Nobody said anything. Then our sailor friend staggered up the aisle in the midst of a deathlike silence, until he got near the front of the pulpit stand, and then he said: "Mr. Preacher, no one else volunteerin', rather than see your show stop, I'll be your goat!" (Great applause and laughter.)

So I presume, Mr. Chairman, Ladies and Gentlemen, I am the Governor's goat on this occasion. (Laughter.)

I want to take just a few moments of your time this morning to call your attention to two or three things that may be of interest in the industrial world.

Little less than three centuries of colonial and national life have brought this people of the United States through a process of evolution naturally, and because of existing forces inevitably, to a point of distinct and radical change in the economic relation, not only to each other, as represented by the firms that you credit men represent, but with relation to the rest of mankind. In the primitive period, before the credit man was an institution in our national life, people traded with individuals. Now we trade en masse,—the progress of the world has been great and in the van of the progress of the world is found the industrial system to which you men are the accredited representatives. The telephones, the telegraphs, the more than fourteen hundred thousand millions of telephone wires, the conversations with the forty-four hundred thousand telephones to-day in this country, have obliterated the old township and the county and the State and the national lines, as affecting the industrial conditions represented by you men here to-day.

Now, I want to call your attention to just this one thing. It was my pleasure during the Christmas holidays of the session of the fifty-ninth congress to be with a party that went to inspect the Panama canal, and from Panama we went down to South America; and I want to leave this thought with the representatives of the industrial systems of the United States here to-day: When you are looking for a proposition to extend your markets, cast your eyes towards South America, with its fertile plains and with its untouched forests growing

in virgin soil, right under the shadow of the snows of the Andes, a country down there with an area of 7,502,000 square miles, more than twice as large as the United States, but with a population of less than six to the square mile, yet with an import trade of \$745,000,000 of products a year, of which the United States secures only twelve and six-tenths per cent.—and ask your firm this question: Why is it that, situated geographically as you are, in a position to do that business, the United States does not do it; and I would suggest two or three things without amplification.

In the first place, the industrial houses of the United States, to get that South American trade, must send representatives there who can speak the language used there. You cannot get into close touch with a man through an interpreter. Our policy should be to send representatives to the South American ports who can speak the language, and get into personal relation with the people.

Second—And this is the thing that more nearly touches you gentlemen: you must so adapt your system of credit extensions that it will conform with the system of credits in the South American countries with which you deal. Why do I say that? Because the wholesaler in Rio Janeiro has to extend certain credits to the jobber, and unless the manufacturer in the United States, through you, their accredited credit men, can extend the same sort of credit to the wholesaler of South America, you cannot do business with him. The English or German manufacturer adapts himself to the circumstances as he finds them. I do not say this disparagingly, but in going through several countries of South America I have found a disregard on the part of the American manufacturers to particular conditions as they exist down there.

Third—Another thing that naturally suggests itself is the establishment of the American banks whereby the banker can be the representative in a way of the business interests of the United States and advise you where to extend credit and where credit cannot be extended.

Sell the South American what he wants. If he wants a heavy plowshare, sell him one; Do not try to convince him that he wants a light one. The tendency of the American industrial situation to-day is to standardize the output; but if the man on the Mississippi wants one standard of goods, and the man on the Amazon wants another, you American manufacturers will have to manufacture the two standards or you will lose one of the markets.

Fourth—I am not going to enter into a discussion of the next thing, which is the question of American shipping, to carry your export products in there. We would immediately get into politics along the line of ship subsidies if we did that. But I want to say this to you credit men here to-day, that when you realize that 4,742 ships entered the port of Rio Janeiro last year, and that only 7 of that number carried the American flag, and two of those were in distress, can you wonder that you do not do business with all the markets of the world? (Applause) When the American manufacturer has to send his product to Liverpool and have it reshipped from Liverpool to Rio Janeiro under the flag of any other nation on earth, we want to say to you it is time that you fellows were getting busy with your representatives over in Congress and getting them to supply some American ships to carry American goods under the American flag, so that you can compete with any market on the face of the earth. (Great Applause.)

But, my friends, I am far exceeding my time. Your convention is late now in starting. I just came to you to-day, to this body of 8,600 members, this body—and I say it without fear of successful contradiction

—that holds within its grasp, as has been suggested by your president, the power to ruin the country in withholding or extending credit, the largest commercial body on the face of the earth, the National Association of Credit Men—I come to you today on behalf of the Governor and extend to you a cordial and hearty welcome to the State of Illinois. (Long continued applause.)

I don't know what the Chicago fellow is going to say. Those of you who are familiar with the situation and know our friend, Brother McMillan, realize the fact that these fellows up here in Cook county do not believe there is anything in Illinois after you get south of Pullman (Laughter); but I have really become enthusiastic since I got started, meeting these gentlemen around here this morning and mingling with them, and I believe if I can get down in Egypt somewhere and find some little store that can create a credit man, and where they are not particular about the credit man they take, I will try to get into this game, and see if I cannot join. (Applause and laughter).

At least I thought so a while ago, until I thought of the experience of a friend of mine who was a great joiner—I will tell you this in closing—he joined everything, he belonged to every lodge; he belonged to every commercial club, he belonged to every organization that he could get into. I don't know whether he belonged to the Credit Men's Association or not, but he did to nearly everything else, and the result was that he was away from home every night in the week except Sunday night, and then he rested to begin on Monday. The consequence was that he neglected his wife and family shamefully. Eventually his wife died. Remorse seized the old man; loneliness overcame him; he grew sorry for having been away so much during her lifetime and he thought he would like to talk with her. It chanced that a spiritualist came to town, and he made an arrangement with the spiritualist to hold a séance on Thursday night. The old man attended promptly and the medium explained to him that of course he would have to talk to receive communications from his wife which would be through spirit rappings, one rap meaning yes, and two raps meaning no. The old man went into the cabinet and said: "Charlotte, is that you?" (One rap). "Do you recognize my voice, Charlotte?" (One rap). "Are you happy, Charlotte?" (One rap). "Are you happier where you are than you were with me on earth, Charlotte?" (One rap). "A great deal happier?" (One rap). "Are you in heaven, Charlotte?" (Two raps). (Great applause and laughter).

President Fessenden—The Hon. Edward J. Brundage, Corporation Counsel of Chicago, will bid us welcome to the city of Chicago. (Great applause).

ADDRESS OF THE HON. EDWARD J. BRUNDAGE.

Mr. President, Ladies and Gentlemen:

The distinguished speaker who preceded me said he wondered what the gentleman was going to say for Chicago, when he got through. Fortunately I have the last word. It reminds me of the story of the minister who was called to preach the funeral sermon of a deceased gentlemen. He said to the son: "Now, I would like to know something about your father; what were his last words?" The son replied: "He didn't have any, mother was with him till he died." (Great laughter and applause.)

Now, the last words that I shall say in bidding you welcome to the city of Chicago, are going to be brief. I want to say in the first instance that the weather man is not connected with this administration. If he

were we would prefer charges against him before the civil service commission, and I think that we would have sufficient testimony to convict him, and I think a mere dismissal would not be sufficient. Perhaps he ought to be imprisoned.

The Mayor regrets that he was unable to meet with you and bid you welcome. The Mayor knows the importance of this body, he knows what you represent in the business interests of this country; he appreciates the fact that you are guests of this city, and so in his inability to come he has sent me to bid you welcome.

It is true that we in Chicago think that Chicago is a large part of Illinois, and if it were not for Chicago the question is, would our distinguished friend have been able to welcome you to Illinois? (Laughter and applause). Chicago, when we think of its wonderful growth and what it is, gives us Chicagoans just cause for pride. When you recall that 71 years ago, practically in the lifetime of one man, this was a vast wilderness, an unbroken prairie that surrounded us, where to-day within a radius of 500 miles are 50,000,000 of people, have we not some reason to be proud of Chicago, and have we not some reason to think that Chicago has contributed to the greatness of Illinois? But we are glad that we are in Illinois, with its splendid history and with those names it has given to this great republic. We are very glad, indeed, that we are a part of Illinois.

When you come to this city for the first time I think you are impressed with the fact that this is a commercial city, that this is a business city, and when you go about and study some of our institutions you are convinced that Chicago is the typical American business city. You see it represented everywhere upon our streets. There is an energy and a push that we think is characteristic of this city. So when you come as representative business men to this city, I think you have selected the representative American city.

While it is important, and very important that commercial houses should have sales agents and should be well managed, how much more important is it that you men should be connected with the institution. No matter what a house may be, without a proper handling of its credits that house is bound to be ruined, and so I say that you are the representative business men of the country, that you are the pilots that steer the ships of commercial houses to the safe harbors of success.

While Chicago is a business city, and while we are here looking after the dollar and the making of the dollar, I want to impress you with the fact,—and I speak of it because it is one that is not usually mentioned,—that Chicago is a great humanitarian city, that Chicago does more, I think, for charitable purposes than any other city in this country. Nearly every business man of this city, I have learned from experience, every prominent man who has great business interests on his hands, has some time to devote to charity, and I find them managing hospitals, I find them doing charitable work of all descriptions. So that I say that we are not devoted here exclusively to the quest of the dollar, but we are also earnestly endeavoring to make the way of our poorer brother somewhat pleasanter.

The great city of Chicago cares, I think, for more unfortunates—I do not mean individually that we have more unfortunates to care for—but we give more consideration to unfortunates of all classes than perhaps any other city in this country. The result of that is that we have had the unfortunates from all other cities come to us. Our county hospital is filled with them; our charitable institutions at Dunning are filled with people coming from other communities; but where there

has been no fraud, Chicago has welcomed those unfortunates and has given them treatment free of expense in our county hospital, if necessary.

Last year Chicago distributed provisions to the homes of the poor, to such an extent that 33,000 persons received relief. Now, that would seem to indicate that we are not a busy city or we would not have so many people seeking relief; but the fact is that we are a busy city; but we wish by foresight to reduce, or if possible prevent, pauperism in Chicago, and we help and encourage those who are down, so that they may regain their self-respect, if they have lost it, and as soon as possible again seek employment; and that is the reason why we send relief so largely to the poor in their own homes.

In bidding you welcome to Chicago the Mayor desires me to say that you have the keys of the city; and he wants you to have a good time while you are here; and in the event that you should have too good a time and should unfortunately be brought before one of our new municipal judges, the Mayor desires to say he will extend credit. (Great laughter and applause.)

Now, gentlemen, again, on behalf of the Mayor, I bid you a cordial welcome to the city of Chicago, and hope that your meeting may be a success and that we may have the opportunity of seeing you again in this city. (Great applause.)

President Fessenden—The next speaker on the list, Ladies and Gentlemen, needs no introduction to the convention of credit men. I will merely mention his name, F. H. McAdow, of Chicago. (Long continued applause and cheers.)

ADDRESS OF F. H. McADOW.

Mr. President, Ladies and Gentlemen of the Convention:

It is through the courtesy and the generosity of my colleagues that it is my privilege and my great pleasure to extend on behalf of the Credit Men's Association of Chicago, their welcome, most cordial and sincere, to you as the representatives of the credit men of the United States.

I have a suspicion that this high honor came to me because my associates have discovered that I would rather talk than work. (Laughter.) But be that as it may, we are especially glad to give you this welcome, because of what our organization stands for and what it represents.

We are glorying to-day in the progress of our nation commercially. In a decade of unrivalled prosperity we have come to take a high place among the creditor nations of the earth. It is estimated that our commerce, domestic and foreign, reaches the enormous sum of twenty-five billions of dollars annually. It is also estimated that perhaps 98 per cent. of this huge volume of business is done on credit in one form or another, and therefore passes under the pencils of the credit men of the nation. Now, this being the case, our whole commercial fabric rests upon and depends for its safety upon the judicious granting of credit.

In the accomplishment of this onerous task, it is required of the credit man that he should be, first of all, conservative in judgment, able to deny the applicant for credit favors who does not possess the capital and ability requisite for his needs; and to conservatism of judgment he must add that breadth of view and that liberality of spirit which will enable him to grant successfully credit favors to the man who, though not possessing many resources, yet does possess those equally important assets of character, integrity and ability as his elements of success; and to these other qualities he must add that almost omniscience of perception which will enable him at all times to detect the unworthy and to deny credit to the dishonest applicant.

Now, the purpose of your organization is to aid the credit man in the accomplishment of this threefold task in the best possible manner.

You are here today in this convention giving your time, your money and the very best of your thought and effort to reach this result. You are the true exponents of altruism, unselfishly seeking the greatest good of the greatest number, and with disinterested motives, by legislation, by coöperation and by education and in other ways are seeking to reform commercial abuses and carry commercial standards to the highest possible ideal.

The controlling purpose of our work is to see to it that the men who are daily fixing the metes and bounds of our constantly expanding system of credit, shall, at the same time, be rolling this great fabric up the inclined plane of commercial progress and achievements; so that the men of tomorrow will find stronger foundations on which to build for the future.

We are glad to welcome you to this city, where the idea of the Credit Men's Association, of reforms in credit methods, first had its inception in the commercial congress at the world's fair.

The names of the men who conceived this undertaking may be lost to history; and yet, if I am correctly informed, at least three of them were R. P. Earling, Samuel J. Kline and Thomas Davies. The Horatius of this trio seems to be Mr. Earling; but the names of all ought to go down in history along with the dauntless three who held the bridge in the brave days of old; because they stood forth and with fiery courage purposed to hold the bridge over the modern commercial Tiber. If they did not build wiser than they knew, they must at least have laid the foundation for a greater and grander organization than they could have foreseen.

This great association, with all its powers for good, offers a proper and a fitting testimonial to the value of the contribution to human progress which was embodied in their idea.

And then we are especially glad to welcome you because of the personal friendships we have formed in the past. It is worth something to be in touch with the warm-hearted men of earnest purpose who have labored so abundantly in the ranks of this organization in past years, and who are working so ardently for its success today.

It is related of Daniel Webster that at one time he was to speak at a banquet, where each toast represented a different State and as the orators for Massachusetts, New York, Pennsylvania, Maryland, Virginia and other States each in turn eloquently representing his own commonwealth, depicting its achievements, speaking of its material progress and of its wonderful products, followed one after the other, the friends of Mr. Webster became solicitous. He was the last man on the list of speakers, and it began to seem to them that nothing could possibly be left for him to claim for his State. But when his turn came Mr. Webster arose and spoke somewhat after this fashion:

"Mr. Chairman, as we go about in the various walks of life, we observe that each man displays before his place of business some sign which shall indicate the character and quality of the goods to be found within. The shoemaker hangs out the emblem of his trade, the printer and the blacksmith of theirs, and so on for all lines. I think, Mr. Chairman, we may safely say that we have discovered the source of origin of this custom, this practice. In my State, the Almighty Creator, back in the beginning of time, hung up in the everlasting hills a sign in the profile of the Old-Man-Of-The-Mountain, which should say to all coming ages that the State of New Hampshire produces men."

There was no further solicitude as to Mr. Webster's speech; and I think, sir, we may claim, without exaggeration that the object, the aim and the accomplishment of our organization, is to develop a higher quality of manhood in debtor and creditor alike. (Applause)

This welcome, I am sure, would seem incomplete, if it did not particularly include the ladies who are in attendance. We are certainly glad they are here, and we are sure that your duties will seem less arduous and less exacting because of their presence, and it will give, I think, a fitting interpretation to the words of the great English bard when he wrote:

"Between the rougher voices of the men
The women sang like linnets,
In the pauses of the wind." (Applause.)

Our entertainment has necessarily been made to conform to the longer business program of the association. Now, some fear has been expressed lest you may be disappointed, because a visit to our famous stockyards is not in the list of events. Well, now, if any of you are of a sanguinary temperament, or if you have any lingering doubts about this source of pure food supply, just apply to any of our members, for a permit, and guides will be furnished to show you through our well-advertised jungle.

The meaning of our welcome is that we want you to have a good time, thorough enjoyment, with or without satiety, and yet it may be wise to advise a little moderation. We do not want you to get into the condition of two citizens of whom we have heard, who after a somewhat convivial evening decided that they would see each other home. They got along very well until they reached a house, which they were quite sure belonged to one of them, but they could not decide which. They had reached the polite stage, and each one insisted that the other must stop there. The argument grew warm, when all at once the second floor window was thrown open and a feminine voice inquired: "What is the matter?" "Madame," said one, "does Mr. William Brown live here?" "Yes, he does, what do you want?" "Well, madam, would you be so kind as to come down and pick out Mr. Brown?" (Great laughter.)

Now, may your labors be successful, may you have a most pleasant recollection of this convention and of the Chicago Credit Men's Association; but may your most enduring memory be that of the true comradeship which prompts our hospitality, and may it be a lasting incentive to more earnest work in our organization.

If after you have been here three days you should find that you cannot tear yourselves away, and you should conclude to remain here permanently, we are going to welcome you on that basis also, and whether you come from Boston or whether you hail from Memphis or from Texas, we are going to agree to see to it that you never get homesick for a single minute. I thank you. (Continued applause).

President Fessenden—On behalf of your association, Oscar S. Kulman, of Savannah, Georgia, will respond. (Great applause).

ADDRESS OF OSCAR S. KULMAN.

As one trained somewhat in the art of finance, and called upon to judge the commercial frailties of human nature, and to weigh well the promises made by those who wish to have extended to them the use of a page in our ledger, I am averse to giving credit without investigation.

I have become so saturated with this idea—investigation—that I would not at first even credit the rumor that I was selected to respond

to the addresses of welcome which have been so eloquently delivered; I almost instinctively reached for a Commercial Agency blank to see if the report should be given credit—I even pinched myself and, in my embarrassment, stepped on the tail of the office cat and, of course, when I stepped on the feline's tail I got a very satisfactory report. (Laughter).

Now that I have listened to the eloquent greetings which have come from the distinguished gentlemen who have, with liquid silver and gold, embellished the welcomes, the sincerity of which is vouched for by every environment which surrounds us, I feel as if I should have stopped my reply in transit, for I find myself nearly bankrupt in thought and words with which fittingly to respond to this glorious salutation.

Most of you who have traveled through the Sunny South are familiar with the old Southern darky's maxim which is proverbial, "If you trus' 'im he'll trow yer."

In this connection I am reminded of an incident which will more clearly illustrate the force of my remark and my present predicament.

A gentleman in Savannah had a very balky mule. He had a darky named Ephraim to take care of the mule. The following telephone conversation occurred:

"Is dat you, Massa Jim?

"Yes, sah: Ise down here in front ob de Commercial Club, sah.

"Yes sah, Ise got de mule, sah!

"Unhook him from de wagon?

"Yes, sah.

"Tek 's harness off?

"Yes, sah, dun dun dat, sah.

"Put 'e fire under he belly?

"Yes, sah.

"Twis' 'im tail?

"No, sah!!! Not dis here niggah, sah; a gemman from Chicago, he dun twis' 'im tail. (Laughter).

"No, sah, not dead yet, sah, de ambulance dun took him to de hospital, sah.

"Bring 's mule back home, sah?

"All right, Massa Jim, I dun tole yer, 'If you trust dat mule 'e sho dun trow yer.'"

To those of you, therefore, who expect any great rhetorical effort on my part I say, in all candor, "Be careful lest I 'trow yer.'"

When your genial townsman, Mr. F. H. McAdow, extended his noteworthy invitation at Baltimore, WESTWARD HO! was the bugle blast which resounded throughout the convention. The gladsome notes had scarcely ceased when cheer upon cheer met the echo—the convention had decided—TO CHICAGO, WESTWARD HO, WE GO.

Coming as we do, gentlemen, from all parts of this great country, we view your mighty city with wondering and increasing amazement. Standing almost midway between the Atlantic and the Pacific, she is the gateway between the older civilized East, and the newer life that characterizes the marvelous development of this great Western Empire. Yes, we are glad to be with you—you hustling city builders of this Mighty West—you, who have shown your faith by contributing both brains and energy in transforming the provincial fur trading town of Marquette's day, to this magnificent metropolis of nearly 3,000,000 people. We congratulate ourselves upon being your guests.

The mighty waves of Lake Michigan seemed to beckon us on, and the sweet voices of the sirens who dwell in its depths, lured us to this haven, where, instead of being wrecked upon the rocks like the

sailors of the classic Mediterranean, we find ourselves fondly embraced and cherished and refreshed in every way, and with everything which proclaims the universal brotherhood of man. (Great applause).

This Chicago brand of hospitality looks good to us—is good for us. We are glad we came! We have heard much of your beef-packing parlors; we are cognizant of the fact that to the cow is attributable Chicago's first serious drawback—the conflagration of 1871—and yet how appropriate it is that to countless other cows Chicago owes so much of her present great commercial supremacy and magnificent progress. (Applause).

While Chicago is justly known as the Porkopolis of America, yet it is inspiring to contemplate your philanthropic institutions, your seats of learning, your museums devoted to arts and sciences, all of which convey the gratifying knowledge that your citizens look out for the educational, the humanitarian and the æsthetical sides of life, as well as the material.

Chicago is known to be the city of conventions. Here you have entertained men of national and international reputation; here have gathered in the past the most brilliant minds in the fields of finance, politics and commerce. It is therefore only in accordance with the eternal fitness of things that the National Association of Credit Men is given an opportunity to enjoy your unbounded hospitality.

It gives me pleasure to be delegated, on behalf of the National Association, to extend to the State and to the City and to the Local Association of Credit Men our sincerest thanks. We are profoundly grateful for what you have done for us and we thank you from the bottom of our hearts. (Long continued applause).

President Fessenden—Before the reading of the President's report a flashlight photograph is desired. Will you please look pleasant for about two seconds. (Laughter).

(A flashlight photograph was here taken).

ADDRESS OF PRESIDENT O. G. FESSENDEN.

To the Members of the National Association of Credit Men.

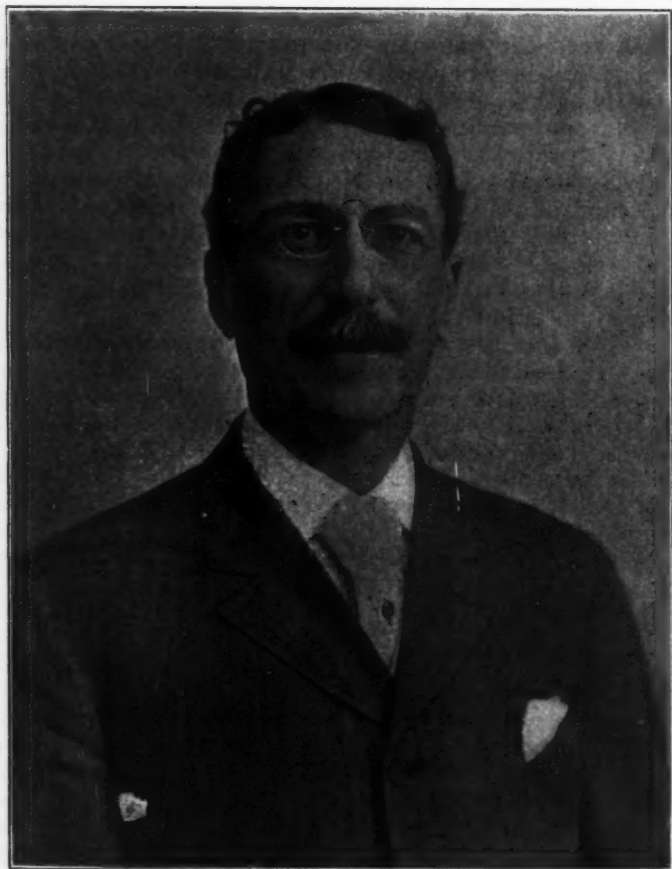
GENTLEMEN:

We are to be congratulated upon the prosperous condition of the association, the large membership, the effective work we have done during the past year, and the influence we have attained in the business world as well as in National and State Legislatures, in matters coming before those bodies affecting the interests of the creditor and debtor class of the people.

Whatever we have accomplished in any direction—and we have accomplished much—has been by the earnest work of our members, who again and again have given their time to association work, their only reward being the satisfaction of knowing they were helping the mercantile community, even if their labor did not benefit themselves personally.

It was not so many years ago that the idea of forming an organization of business men for mutual benefit was laughed at, or worse, received with an indifference which smothered the undertaking at its beginning. Today every business man recognizes the fact that by coöperation through associations objects which in other days were never dreamed of can be accomplished.

That the combining of business men for a purpose carries weight and brings to a successful termination what they desire, is plain to any one who has studied the subject.



Director

O. G. FESSENDEN

Hayden W. Wheeler & Co., New York, N. Y.

With the United States taking a leading place in the "Congress of Nations," with the wonderful change which has taken place during the past few years in the standing commercially of this country, it behooves all business men to join hands with their fellows and work as a unit for what is right and best for the people.

I believe that we should follow in legislative matters the same conservative course we have adopted in the past.

Many of the laws on the statute books of the various States governing commercial transactions have without any important change been in effect since the States were admitted to the Union. It should be our aim, and I urge upon you the necessity, to bring about a revision of laws unfitted at this time to accomplish the objects for which they were enacted and the adoption of others to meet the conditions and methods under which business is today conducted.

One of the most important matters with which you will deal at this convention is the revision of the Constitution and By-Laws of our organization. In compliance with the instructions of the last convention, I appointed a committee to revise the Constitution and By-Laws and present its report to this convention. I trust some member will move to suspend the order of business and ask to have the amendments proposed by the committee taken up before any other business, because amendments adopted at the beginning of this convention will take effect at once, and all matters decided upon by this body will be governed by the new Constitution and By-Laws.

You will recall that we are organized as a corporation under and by virtue of the laws of the State of New York, and that under our charter the annual meeting of the corporation was held in that State. At the last session of the legislature of that State, at our suggestion, a bill was introduced, passed by that body and signed by the Governor, which allows us to hold corporation meetings outside of that State and makes our annual conventions our corporate meetings. The effect of this law is that every act of this convention is the act of the corporation, and no corporation meeting, *as such*, is necessary.

I cannot refrain from giving expression to the obligation we are under to this committee. Leaving their business, going to New York, devoting several days to the matters before them, their only compensation being the satisfaction of knowing they were working for the good of the association, every member thereof is entitled to our thanks.

There may be other changes deemed advisable in the Constitution or By-Laws, and I hope no member present will hesitate to express his views so that we may arrive at a conclusion satisfactory to all.

And what I say of the committee I have spoken of I can with equal truth say of all of the committees. It is unique in my experience with organizations that every member who has been called upon has labored for the association as honestly, faithfully and with the same intensity as if the business in hand was his alone, and on his work depended the success of the undertaking. When an organization is composed of such men there is no fear for the result.

Our experience in the past is a safe guide for our action in the future, and we cannot go far astray if we follow the wise counsel of those who have attended previous conventions and studied the questions coming before them from every point of view. "It is better to be safe than sorry."

Another important matter for our consideration at this convention is the Adjustment Bureau feature of our work. Affiliated associations in

various parts of the country have taken this matter up, formed bureaus and are successfully operating them.

A meeting of the managers of Adjustment Bureaus was held in Cleveland, Ohio, in January, the Chairman of the National Committee on Adjustment Bureaus being present with the members of his committee, and valuable suggestions were made for the conduct and future progress of this most important part of our work.

I believe each local association should control the policy of the Adjustment Bureau formed by its members, should work in harmony with other Adjustment Bureaus and the work confined to members of associations of credit men. Any tendency to make of a bureau a general collection agency should be strongly discouraged. (Great applause.)

Ever since this association came into existence a determined effort has been made from time to time by certain parties to attach themselves to this organization or to associations affiliated with us for selfish motives. We have so far steered clear of all entangling alliances, and I am confident that we always will.

The corner-stone of our organization is the principle, "the greatest good to the greatest number."

Putting behind us every selfish motive, we are today an association looked upon by every business man as a body of men working for a principle, not individual profit.

In my opinion the minute any affiliated association surrenders its identity as an Association of Credit Men, pledged to carry out the principles advocated by this organization, in whatever form the connection is disguised, that minute the influence of that association is weakened, if not lost, and it ceases to be a factor in the grand work we are carrying on.

During the past year our association has been invited to take part in conventions called to consider matters of interest to the general public, as well as to ourselves. We sent delegates to Philadelphia in May, to attend the sessions of the Committee on Commercial Laws of the Commissioners on Uniform State Laws, and to Washington, D. C., in June, to the National Convention for the Extension of the Foreign Commerce of the United States, and to Richmond, Va., in March last, to the Convention of the National Freight Association.

These invitations go to show that we are known and our influence sought in every movement tending to the betterment of present conditions in all matters in which the mercantile world is interested.

I recommend for your earnest consideration the reports to be submitted by the various committees. There is meat in every one of them.

Do not hurry. We meet in convention but once a year; let us carefully consider everything which may come before us and decide justly.

During my term of office I have had the honor of being the guest of many associations affiliated with this organization. From the extreme west to the extreme south seems a far cry yet if you could meet, as I have met, in their home cities, credit men of Utah and credit men of California, and then go with me to Texas and Georgia and meet the credit men of that part of the south, you would find, as I have found, the same hospitality, the same good fellowship, and 'way beyond and above all of these, the same loyal feeling to the National Association and the principles we advocate. (Applause.)

To the associations nearer home—next door, or almost next door neighbors—which I have visited, the same spirit of loyalty was manifest, to a marked degree.

For two years I have been the president of this organization. Now

and then there has been, I confess, a little work attached to the office, but the honor of being your Chief Executive Officer and the pleasure I have derived from meeting and knowing you has more than made up for it. I return to the ranks, where 8,000 men stand ready to greet me, just as willing to labor there as here.

I shall practice what I have preached—loyalty—to this, the greatest, the most influential commercial body of men in the United States today. (Applause.)

You may be sure that I have, as you have, the welfare and advancement of our interests always in mind.

To my fellow officers, to the members of the various committees and to you I acknowledge the obligation I am under for the help given me, and sincerely thank you for your consideration. (Long continued applause.)

M. E. Bannin, of New York—I want to offer a resolution if I am in order.

President Fessenden—Will you send the resolution to the desk, Mr. Bannin?

Mr. Bannin—I was going to ask that the order of business be suspended.

President Fessenden—Will you do that after the report of the Secretary-Treasurer?

Mr. Bannin—Yes, thank you.

President Fessenden—The report of the Secretary-Treasurer will now be read. (Great applause.)

Report of the Secretary-Treasurer.

To the Officers and Members of the National Association of Credit Men.

GENTLEMEN:

It is a source of great personal gratification to have the privilege at this time of presenting for your consideration a report which, so far as it is permissible, and without trespassing upon the subjects treated by the different committees, will indicate to you that your Association has closed another year of prosperity, a year of advancement, a year of substantial results. All of which has been brought about by what? Not by the work of any one or few men, but through the enthusiastic and solid support of the entire membership from one end of the country to the other. There are men in this gathering who have been identified with the Association since the day of its organization, who nourished it in its infancy and, keeping their fingers upon its pulse have felt the throb grow stronger and stronger; others have from year to year been attracted to the association, contributing materially to its support, while still others present may be newcomers, here for the first time to assist us in conservatively and impartially disposing of the business which comes before the convention.

Let us take a glance for a moment into the past. In June, 1896, the first convention of this association was held, in the City of Toledo, Ohio. It was called to order by B. G. McMechen of that city, and W. H. Preston was chosen as permanent chairman. A Constitution and By-Laws was adopted and subscribed to by forty-six (46) individuals representing a membership of six hundred (600). Since the Toledo meeting, annual conventions have been held, each superior to the preceding in size and importance. A record of these, together with the reported membership, is interesting.



Secretary-Treasurer
CHAS. E. MEEK
New York, N. Y.

YEAR.	PLACE.	PRESIDING OFFICER.	MEMBERSHIP.
1896	Toledo, O.....	W.H.Preston, Ch'rman, Sioux City, Ia.	600
1897	Kansas City, Mo...	W. H. Preston, Pres., Sioux City, Ia.	1,591
1898	Detroit, Mich.....	Jas.G.Cannon, Pres., New York, N. Y.	2,332
1899	Buffalo, N. Y.....	Jas.G.Cannon, Pres., New York, N. Y.	2,536
1900	Milwaukee, Wis....	John Field, Pres., Philadelphia, Pa.	3,006
1901	Cleveland, O.....	John Field, Pres., Philadelphia, Pa.	3,572
1902	Louisville, Ky.....	E. A. Young, Pres., St. Paul Minn.	4,004
1903	St. Louis, Mo.....	J. H. Tregoe, Pres., Baltimore, Md.	4,554
1904	New York, N. Y....	J. H. Tregoe, Pres., Baltimore, Md.	5,327
1905	Memphis, Tenn....	F. W. Standart, Pres., Denver Col.	6,061
1906	Baltimore, Md.....	O. G. Fessenden, Pres., N. Y., N. Y.	7,509
1907	Chicago, Ill.....	O. G. Fessenden, Pres., N. Y., N. Y.	8,647

(Great applause.)

At the Toledo meeting the membership represented twelve States: Today's gathering represents every State and Territory of the United States except Arizona; from a membership of 600 in 1896 this association goes on record today with a membership of 8,647 and takes its place as the leader of commercial organizations, not only from the standpoint of numbers, but from the standpoint of accomplishments. All honor to those who made this possible and through whose wisdom the association was given a platform broad enough in its purposes and strong enough in its construction to bear its increased weight.

We must all share the responsibility of maintaining the high standard set and won for the association.

The reports which will be presented for your consideration by the different committees will treat exhaustively upon all the phases of our work. It has been the effort of the national office to give freely of its time to furthering the work of the committees, and it is a pleasure to give public expression to the splendid service which the committees have rendered.

The close of the year finds the financial condition of the association in satisfactory shape.

FINANCIAL STATEMENT.

June 1, 1906, to June 1, 1907.

RECEIPTS.

June 1, 1906, cash in bank	\$1,735.71
Individual dues received	7,420.00
Organized dues received	21,575.00
From sale of association blanks	75.92
	<hr/>
	\$30,806.63

DISBURSEMENTS.

1906.			
June,	Vouchers paid,		\$1,907.04
July,	" "		3,204.88
August,	" "		1,602.31
September,	" "		2,527.54
October,	" "		1,838.31
November,	" "		2,316.77
December,	" "		3,186.37

1907.

January,	Vouchers paid.....	\$2,266.73	
February,	" "	2,263.56	
March,	" "	2,262.95	
April,	" "	2,327.64	
May,	" "	1,485.78	
			\$27,189.88
Balance in bank, June 1, 1907			\$3,616.75
Balance in office account			\$123.97
Total cash balance, June 1, 1907.....			\$3,740.72
Balance June 1, 1906.....		\$1,943.38	
Balance June 1, 1907.....		3,740.72	
Increase		\$1,797.34	

DIVISION OF DISBURSEMENTS.

Stationery and printing	\$1,180.93	
Postage	767.44	
General Expenses	6,123.03	
Organization Expenses	5,163.27	
Salaries	8,193.26	
Furniture and Fixtures	136.66	
Legal Expenses	1,154.52	
Bulletin	\$4,470.77	
		\$27,189.88

COMPARISON.

	Receipts.	Disbursements.
1905-1906	\$26,284.23	\$25,404.00
1906-1907	29,070.92	27,189.88
Increase	\$2,786.69	\$1,785.88

The Association has no indebtedness to speak of, its accounts payable covering only current items.

REPORT OF TRUST FUND.

The following statement shows the condition of the Trust Fund of the Investigation and Prosecution Bureau:

Balance on hand, June 1, 1906.....	\$843.23	
August 4, 1906, Interest	4.89	
August 10, 1906, Interest	4.04	
December 22, 1906, Interest	3.99	
January 4, 1907, Received from Hickey & Freeman.	50.00	
May 1, 1907, Interest	3.29	
		\$909.44

DISBURSEMENTS.

January 3, 1907, Voucher 53, Henry C. Quinby....	\$54.30	
January 3, 1907, Voucher 54, Powell & Powell.....	300.00	
March 16, 1907, Voucher, Goeller, Shaffer & Eisler.	50.00	
		\$404.30
Balance, June 1, 1907		\$505.14

This year's disbursements from the Trust Fund cover the expenses incident to the McCarthy case in which the association undertook to support a criminal action.

While we were not successful in attaining our ends in the specific case, our efforts were well rewarded in securing a radical improvement in the chattel mortgage law of Vermont and in the passage of the bulk sales law in that State.

There is one case still to be disposed of under the Trust Fund. It is known as the Felson case, the prosecution of which was undertaken jointly by ourselves and the Jewelers' Board of Trade.

The National office has endeavored to keep in touch with the prosecution of cases which have been undertaken against fraudulent bankrupts and is convinced that in many such cases the creditors have been in a position to furnish ample evidence with which to convict but they have been restrained by the fact that the burden of financing the prosecution would be thrown too heavily on their shoulders. There is a growing disposition upon the part of the Government officials to punish violations of the Bankrupt law but these officials are often hampered or actually prevented from doing so promptly because of the insufficiency of the Federal appropriations. Such a condition does not appear necessary and this association should consider what are the best steps to take to remedy the situation it causes.

The increase in the membership has brought in its wake an increase in the volume of daily business reaching the National office and this has necessitated an increase in the clerical force and often the employment of temporary help. In has been the constant effort of the National office to expedite the handling of the Association's business, to carry out carefully the policies of the organization, and to take every opportunity to increase the usefulness of the Association and in doing so it has had the constant support and assistance of your officers and the valued coöperation of the membership at large. Acting upon the suggestion contained in the 1906 report of the Membership Committee, the development of a system for the purpose of further increasing the membership has been undertaken and only requires a few perfecting steps to furnish the means whereby every business house in this country eligible for membership can be reached.

The publication of a membership list is now being arranged for. As our entire membership is covered monthly through the BULLETIN members will contribute materially to the correctness of the list by reporting inaccuracies which may appear in the address under which their BULLETIN is delivered.

The publication of a pamphlet on the Exemption Laws will be recommended by one of your committees and if favorably passed upon it can be published promptly since the copy for the pamphlet has been prepared.

The association has a good stock of printed matter on hand which, together with the fixtures, is worth fully \$2,000.

Two years ago you chose as your Chief Executive Officer the gentleman who is now wielding the gavel as your presiding officer. In the report he presented a few moments ago there was no reference to the duties which he has been called upon to perform as such. It has been my opportunity to observe the interest which he has displayed in handling the affairs of his office, involving as it has, the handling of many difficult and vexatious problems which have been disposed of with great credit to himself and with honor to the Association. Ever ready to respond to demands made upon him, President Fessenden has in the interests of the association, visited a majority of our affiliated branches, meeting per-

sonally many of the members and creating through such contact a livelier interest in the principles upon which we are founded.

It is my painful duty to announce the death of W. E. North, Chairman of the Membership Committee, which occurred suddenly on June 3d last. Mr. North had for many years been an active member of the Cincinnati Association and his loss will be severely felt by his many friends in the Association.

Since we last gathered in convention, death has removed from our ranks two familiar figures in the work of our organization. Their absence from this gathering today will be keenly felt. I refer to the late Henry M. Powell, of Columbus, Ohio, and the late John C. Boss, of Chicago, both of whom labored with untiring zeal and energy to advance our cause, and merited well the confidence reposed in them by the associations with which they were allied and which they served as executive officers. Your Board of Directors took suitable action upon the death of Mr. Powell and with your approval, I would respectfully suggest that the Committee on Resolutions give proper expression to our feelings caused by the loss of our former associates.

In the performance of my duty, I have had the hearty support of your executive officers and the committeemen and the cordial cooperation of the membership at large, the result of which is reflected in the prosperous condition of the association and the development of its field of usefulness. (Great applause.)

Secretary Meek—The Chairman intended to make the announcement, but doubtless it escaped his attention, and I wish to tell you now, that the gavel that the President is using here is the one used at the first meeting of the organization. (Great applause.)

Max Silberberg, of Cincinnati—I move that the Secretary's report be adopted and spread upon the minutes.

The motion was seconded, unanimously carried and so ordered.

M. E. Bannin, of New York—I offer the following resolution and move its adoption.

Resolved, That the rules be suspended and that the report of the Committee on revision of the Constitution and By-Laws be taken up as a special order of business at 2:30 P. M. today.

The motion was seconded and unanimously carried and so ordered.

President Fessenden—Ladies and gentlemen, we are to have the very great pleasure of listening to an address from a man whose name is a household word with credit men, Harlow N. Higinbotham, of Chicago. (Continued demonstrations of applause.)

ADDRESS OF HARLOW N. HIGINBOTHAM.

Mr. President and Gentlemen:

Bacon wisely said, "There be three things which make a nation prosperous—a fertile soil, busy workshops, and easy conveyance for men and goods from place to place." Well might he have added a fourth—which is the resultant commerce carried on, with due regard to principles of economy and integrity.

It is with the latter, and the relation of integrity and consequent credit to commerce that you have most to do. You are to the commercial world what the outposts and outrunners of an army are, carefully examining and marshaling the territory ahead, safeguarding the progress of the advancing legions of trade, protecting them against vicious unforeseen attacks. You are the watchmen in the towers, telling what of the prospect afield to the busy captains of industry and masters of trade. Throughout the commercial world there is no class that plays so im-

portant a part as that which embraces the credit man. Upon the administration of his department depends in great measure the success or failure of the business in which he is engaged, as well as that of the thousands of patrons who come to him for advice and material assistance.

The credit man might indeed be designated the statesman of commerce. He formulates the treaties of trade, or at least confirms and executes them. He analyzes the territory to be acquired, or with which relations are being developed, ascertains the character of its trade, citizenship, facilities and responsibilities, and outlines a policy for the guidance of his firm. Not much escapes him in his investigations. The yield of the valley, the product and payroll of the mine, the output of the mill and factory, the acreage and price of cotton, sugar, wheat, and corn, all are in his archives ready for reference, or are in constant application.

To this knowledge of economic conditions is added that of individuals and of human nature. These he makes into the art of his own trade or profession, which is not the least among the advancing forces of civilization. What the credit men may claim as pioneers of progress will be disputed least by those on the far side of the stream, who have supplied the yeoman while he carried the axe far into the timber. At his desk under the gray light of the smoking city, or the yellow glare of electric bulbs, the credit man glances over his map—the map of his territory, on which are set forth the details of his firm's operations. Here he adds one more colony of civilization planted in the wilderness or in the desert—one more to the many new spots of social invasion, the occupation of which has been facilitated and continued by the dispatch of supplies sent forth by his house upon his recommendation. The store in the shack upon the border of the forest is a relay depot of civilization, equipped and sustained by the distributing headquarters in the city.

The credit man opens the way to future communities and future States—yes, future nations. As an agency of progress he is thoroughly committed. He stands in the relation of a direct accessory to the fact.

But it is hardly in this relationship that the business man and credit man are likely seriously to consider themselves, although a reversion of these higher facts in relation to the results of their operations may not be without benefit in generating a broader or more wholesomely efficient attitude towards affairs. The sense of the ultimate good seasons the present effort with sincerity, and a realization of the fulness of the part we are taking in life frequently grades our actions up to meet the demand. The concrete performance and daily duty of the credit man are sufficient items for interesting and extending discussion. His is a contact with realities, not speculations, and upon him rests daily the demand for prompt and serious decision and important action. He cannot engage in the diverting task of testing sociological theories or conclusions. Sociology in his case is reduced to a definition, or indication and adoption of an immediate and prudent line of conduct—action that will protect his firm while advancing its interests—which means also the promotion of the interests of the worthy customer, who is catering to the best of his intelligence and ability to the wants of his community or surroundings. Nevertheless, in this rapid age of competition and resultant materialism, it is needful to reflect that the social service performed by each citizen is in reality the most important part of his life's work, the net asset which will be placed to his credit by the great arbiter, and which history will write down as his product either individually, or in the composite contribution of his generation.

The credit man's opportunity to yield social service along the line of the intelligent and faithful execution of his duty, is great, and by

those who can see the way and follow it, much good may be added to the growing total.

It is with this fact in mind that I have thus ventured to speak somewhat in the abstract, and have injected the moral and social phase of the work of the credit man into our discussion, directing attention thereto in advance of my remarks upon the practical and technical nature of his duties. This is not altogether on his own account, or because of the good he may directly do in his individual contact with and influence upon affairs.

The credit men are probably as prominently in the eye of all men as any, and I am inclined to believe more so. For this reason they are, in addition to master pilots of commerce, examples and patterns for others, as citizens and business men. Their influence radiates laterally as well as directly through the channels of trade and life.

I may be pardoned if I here give my notion of an ideal credit man, and in doing so may I not express the belief that there are many such before me. With a foundation of ability and broad business experience, the true credit man should be temperate in all things, well disposed, even tempered, patient, unselfish, quick in reaching conclusions, thoroughly familiar with the country in which his firm or company operates, acquainted with the commercial laws of the different states, and unmindful of the clock save in the morning.

The credit man should be ready to give advice, when the advice is necessary, and not infrequently this is quite as important as the granting of credit. In fact, the withholding of credit is more beneficial at times than its granting or extension. A certain amount of percentage of goods to sales and outstanding accounts and liabilities, should be observed, and unless adhered to will be harmful. A law may not be laid down that will be applicable to all, as the percentage may be changed according to conditions—and here is where the skill of the credit man is put to the test. It is his province and his duty to know all the circumstances surrounding his customer's business, and then fix in his own mind the proper ratio of these different factors or items. The distance from his base of supplies entitles one customer to more liberal credit than another. The seasons also give one man an advantage over another. Water and rail transportation for a part of the year, and only rail for a part, warrant the customer in carrying a larger stock during the season when he cannot avail himself of the cheaper mode of transporting his goods.

Temperament may have much to do with the success of a credit man in the direction of a business of large proportions, but a faithful study of conditions, men, communities, and districts, constitutes a better reliance. To this I would add a wholesome human sympathy—by which I do not mean a sentimental attitude of misguided generosity, which breeds only loss and ingratitude. Temper your lenience with legitimate demands, which will enhance its value, and yield compensation in the form of sound respect for and gratitude to your firm. Unrestricted favor demoralizes the recipient, and is a vicious burden upon credit and trade. Mutual compensation is the law of exchange, and it is safe to follow it, for all fundamentally honest and permanently successful men are ready to abide by it.

Against this attitude of care and discrimination in the extension of favors, I would put that of rigid severity as something to be avoided. The law of human as well as social progress is compromise. So is the law of trade. A continuously arbitrary attitude, or one of unyielding severity is destructive of business progress, as well as of profitable com-

mercial relationship. The high and mighty credit man has no place in modern business. The pressure of commercial progress and its demands push him aside. Men and communities will develop and prosper, as a general rule, whether this advance be temporarily retarded by the restrictions of ill-advised credit men or not. And here, as previously indicated, rests no little responsibility upon the credit man—and here is where the operations of the superior credit man partake of that commercial statesmanship which not only yields rich dividends to his firm but service to society in the form of impetus to social progress.

Commerce has had practically all to do with the reclamation of the vast areas of new country which have been populated and developed in North and South America in the last fifty years. The losses of progress might be a worthy topic of discussion among those who share and have shared them. It would be an interesting subject for contemplation—the losses of progress and who pays them. Consider the money spent in the promotion of ideas and enterprises which failed at first, because in advance of the times and conditions, but the early promotion of which prepared the way for their future great success reaped by others, and the benefits secured to society at large. The money lost as a result of credit extended in new territory whose development dragged, but later responded to persevering effort, and supplied homes to happy, thriving millions. Those are part of the accomplishments that the credit man shares in or retards, and they represent the indirect and higher functions of his calling. But do not be led by these remarks to believe that a chronic attitude of leniency is recommended to new enterprises and new territory. On the contrary such policy retards progress in that it wastes funds and energy promiscuously spent. Perspicacious liberality, the kind that pays the firm in good net profits on total business, is the kind that is required, for that permits a continuance of the same policy, and an extension of the usefulness of the high grade credit man and the firm he counsels.

Coming down to individuals, I would say, that after duty to the employer comes that to the customer. A man's life, the welfare of his family, are much dependent upon the success of his business. The thousands of merchants in the smaller communities make up an important part of the citizenship of the country. Mistaken severity has killed the credit and stopped the usefulness of many of these men. Between duty and sympathy a line must always be drawn, but I am free to say that behind the success of most old credit men will be found the steadfast support of merchants grown prosperous after a period of hardship through which they were helped by intelligent sympathy and discretion; and I will further submit that of all the performances that yield satisfaction as reputable business men take the chance to reflect, those connected with the aid of a worthy fellow-tradesman to prosperity, are the most gratifying. The bond of human brotherhood is deep in us all, and we révert to its call and solace when the strife of trade is put behind. Response to it yields a compensation that is beyond the material, and that infuses the spirit with a repose which comes nearer than anything we know to identifying it with the infinite.

I believe that the men who make up the organization of credit men are factors as important as any equal number of men in the nation and may wield as positive an influence for good. Individually well equipped, and then properly associated or organized, their power for good cannot be measured if they hold or strive for a high purpose. (Great applause.)

President Fessenden—Before adjournment, Mr. McMillan, Presi-

dent of the Chicago Credit Men's Association, desires to make an announcement.

W. J. McMillan, of Chicago—Tonight at 8 o'clock a reception in the parlors of this hotel will be given. Tomorrow morning at 10 o'clock the ladies are requested to meet on the sidewalk in front of the hotel and take the automobiles for a trip around the city. The Chicago Art Institute, two blocks north, almost directly across the street, is open today free, and the visiting ladies are given the freedom of the art gallery this afternoon.

President Fessenden—Is there any further business?

Mr. Higinbotham—Since the courtesies of the Art Institute have been extended to the members, I wish to extend a like courtesy in behalf of the Field Museum of Natural History. If it is the pleasure of any of your members to go there with their badges, they will be admitted. (Applause.)

President Fessenden—The Secretary has an announcement to make. If you do not stay you will lose something.

Secretary Meek—We have received the following telegram:

Baltimore, Md., June 12, 1907.

O. G. Fessenden, President National Association of Credit Men,
Auditorium Hotel.

Sincerely sorry to be absent. Cordial greetings to every one. Best wishes for a successful convention.

J. HARRY TREGOE.

(Great applause.)

Secretary Meek—The delegates and visitors will please register, if they have not already done so, at the earliest possible moment, in the south parlor. It is necessary that we have the registration cards so that the report of the committee on credentials may be presented before the last hour.

A meeting of adjustment bureau managers or others who are interested in that particular feature of our work, has been called for this afternoon by Mr. Ludlum, the Chairman of the Committee on Adjustment Bureaus. The meeting place will be announced upon the opening of the afternoon session.

The meeting of secretaries will be held tomorrow afternoon after adjournment. The secretaries are requested to place themselves in communication with Mr. Taylor, the Secretary of the Cleveland Association; the meeting place to be announced tomorrow afternoon.

The delegations present will be prepared to announce tomorrow morning upon the call of the roll, the names of the State Chairmen. Where there is more than one organization in a State, the delegates will please confer with each other, so that they will be prepared to designate the gentleman who will act as Chairman of the State delegation, so that we may have a full and complete list tomorrow.

Before the session convenes this afternoon, signs will be placed in different parts of the hall containing the names of the different cities in which our association has organizations. This is for the purpose of keeping the delegations together, and whenever the location of the signs does not exactly meet the requirements of the delegations, the members will please assist in distributing them so that the intentions of the committee will be carried out.

Programs and committee reports have been distributed as you registered this morning. The members are particularly requested to retain

in their possession the programs and the reports, in order to prevent our running short of the supply. We brought a liberal supply, but still there is a possibility of its being exhausted.

President Fessenden declared a recess until 2:30 P. M., same day and place.

Wednesday, June 12, 1907.

AFTERNOON SESSION.

The session of the convention was called to order by the President at 3 o'clock, P. M.

President Fessenden—The business before the convention is the report of the special committee on the revision of the Constitution and By-Laws, Mr. Thomas P. Robbins, of Cleveland, Chairman. (Applause.)

Mr. Robbins presented the report as follows:

Report of Special Committee on Revision of Constitution and By-Laws.

To the Officers and Members of the National Association of Credit Men.

GENTLEMEN:

For several years there has been manifest a need for the revision of our present articles to meet the requirements of the increased membership and the broad development which has taken place in our work.

At the Eleventh Annual Convention, held in Baltimore last year, President Fessenden called attention in his report to certain amendments which to him appeared necessary. The Membership Committee submitted resolutions on this subject, which were adopted. The Committee on Resolutions at this Convention also offered a resolution which was passed. It was as follows:

"Resolved, That a Committee of five, appointed by the President, shall consider a revision of our Constitution and By-Laws and recommend to the 1907 Convention any changes which may be desirable."

President Fessenden, acting with this authority, then appointed a committee which, after having organized, undertook the somewhat delicate and difficult task of remodeling the Constitution and By-Laws, taking into account any changes brought to its notice as above stated as well as others which developed as the work progressed. At all times your committee has been careful to make no radical suggestions. It has had in mind various interests and has tried to avoid any suggestions that will interfere in any way with the harmony of our association.

We commend our report to you as being, in our opinion, a most desirable revision, and sincerely trust that the Constitution and By-Laws in the form as submitted by us may have your careful consideration and approval.

(Signed)

CHAS. BIGGS,
W. A. GIVEN,
F. W. RISQUE,
WALTER WALKER,
THOS. P. ROBBINS, *Chairman.*

Mr. Robbins—I move that the report of this committee be received. Motion seconded.



Director

THOS. P. ROBBINS

Cleveland Hardware Co., Cleveland, O.

President Fessenden—It is moved and seconded that the report of the committee be received. Are there any remarks?

Fisher Harris, of Salt Lake City—Does the motion offered mean that this convention will transact business under the new Constitution?

President Fessenden—No sir, the receiving of the report does not adopt it.

Motion put and carried unanimously.

President Fessenden—The report is before the convention for action.

F. S. Evans, of Philadelphia—I move that the Constitution as revised and submitted by the special committee be taken up and considered by sections.

Motion seconded by F. H. Randel, of Cleveland, and unanimously carried.

President Fessenden—The Secretary will read the first section as revised.

Secretary Meek—The article is as follows:

Article I.—Name. This Organization shall be known as "National Association of Credit Men."

D. S. Ludlum, of Philadelphia—I move that it be adopted.

Motion seconded and unanimously carried.

President Fessenden—Article I is unanimously adopted.

President—The Secretary will read Article II of the proposed constitution.

Secretary—Article II is as follows:

Object. The object of this Association shall be to organize individual credit men and Associations of credit men throughout the United States into one central body, for the purpose of rendering more uniform, and establishing more firmly, the basis upon which credits in every branch of commercial enterprise may be founded, which shall include a demand for the reform of laws, Federal and State, unfavorable to honest debtors and creditors, and the enactment of laws beneficial to commerce throughout the United States; also to improve existing methods for the diffusion of information; to gather and disseminate data in relation to the subject of credits, to amend business customs, whereby commercial interests may be benefited and the welfare of all may be advanced; to encourage the establishment of local adjustment, prosecution and other bureaus, and to perform such other kindred lines of work as the members of this Association may determine upon in the manner hereinafter described.

O. H. Perry, of Cleveland—I move the adoption of the article as read.

Motion seconded and unanimously carried.

President—The article is adopted as read.

Fisher Harris, of Salt Lake City—At the request of a number of gentlemen here, I would like now, in order that we may facilitate matters and have every understanding clear, to ask the question for your decision that I asked a moment ago. Shall I repeat it?

President—If you please.

Fisher Harris—That is whether or not if you now adopt this proposed revision of the Constitution and By-Laws, we shall immediately begin to act under it.

President Fessenden—The Chair will say that the convention will act, from the moment the Constitution and By-Laws are adopted, under the new Constitution and By-Laws.

Fisher Harris—Of course I know that the committee in charge of this affair is an able committee, and that they gave this very important

subject profound consideration; and yet with the information before us at this moment I am in very serious doubt whether that would be legal. I would like to call attention to a provision in the old constitution, Article 14, which says:

"This Constitution may be amended by a two-thirds vote of the members present and voting at any annual meeting of the corporation, providing such amendments have first been approved by the annual convention just preceding."

That would seem to require that in order that this new Constitution be effective it should be approved by the annual convention of last year.

President Fessenden—The chairman states for the information of the gentleman, that the Legislature of the State of New York passed a law, signed by the Governor, making our conventions from today the corporation meeting, and I should say, the rules being suspended, by unanimous consent the convention can take this matter up, and act under the Constitution and By-Laws if adopted.

Fisher Harris—I have the profoundest respect for the President's opinion, and I know that his motive is good; but I do not find that in the law, and I have it before me.

President—Has the gentleman a motion to make?

Fisher Harris—It is difficult to put a motion to cover this matter. The proposition is before you in the interests of harmony. I have given this matter considerable thought and careful study, and I am of the opinion that this convention can only recommend the ultimate adoption of the Constitution and By-Laws, and I find nothing either in the New York law or in amendment or petition or any subsequent action that would justify this convention now in adopting the Constitution and By-Laws under which it could immediately begin to act. Of course it is a technical point, but at the same time it is a technical point that may some time come back to trouble us if it is not properly considered.

And I move that we proceed according to the old Constitution and By-Laws until the new Constitution and By-Laws can be regularly approved.

President Fessenden—Possibly the statement may be of interest, that before bringing this matter to the convention we took the advice of our attorney in New York City, and he gave us an opinion that it was legal for this convention to suspend the rules, adopt the Constitution and act thereunder.

Fisher Harris—I took the advice of an attorney in Salt Lake City, and it is to the contrary effect.

President—Has the gentleman a motion?

Mr. Harris—I move you, sir, that after the new Constitution and By-Laws have been adopted, we proceed to business under the old Constitution and By-Laws, until the new Constitution and By-Laws can be legally put into effect.

O. H. Perry, of Columbus—It strikes me, under the action of the New York Legislature, we are practically adopting a new Constitution by our action here today. Is that right or not?

President—I would not dare say.

Mr. Perry—I would like to have that matter discussed.

F. H. McAdow, of Chicago—I would like to ask this question, whether at the Baltimore Convention we did not pass a resolution on this matter, and whether the action of that convention was not approved by the Board of Directors as provided by the old Constitution?

Mr. Harris—We must remember that a Constitution is a serious thing. There are ways and means provided for changing the Constitution and By-Laws; and it is absolutely wrong for a dignified, charming,

beautiful, intelligent body of men like this, to proceed in any way except decently and in order.

Howard Marshall, of New York—I rise to a point of order. I think the gentleman's remarks are not germane to the question at issue, and I suggest that we proceed with the regular order of business.

Mr. Harris—If they are not germane, nothing is.

President Fessenden—The point of order is sustained. The secretary will read Section 1 (a) of Article III, or is it the pleasure of the convention that we take the entire article up instead of the sections of the article separately?

(Many voices) The entire article.

President—The Secretary will then read all of Article III of the revised draft.

Secretary—Article III is as follows:

MEMBERSHIP. Sec. 1. (a) The membership of this Association shall consist of credit men representing firms, corporations or individuals engaged in any legitimate line of business where credits are given, and members of associations of credit men hereinafter referred to as affiliated associations.

(b) Membership shall be divided into two classes, viz.: Organized and Individual.

Sec. 2. (a) Organized membership shall consist of those who are members of affiliated associations.

(b) Any affiliated association more than sixty days in arrears of dues to this Organization shall be reported by the Secretary to the Board of Directors for such action as it may deem proper, and may be dropped from membership by said Board.

(c) Upon the payment of dues by an association as herein provided there shall be issued to such association a certificate, signed by the President, the Secretary and the Treasurer under the seal of the Association, setting forth that said association is an affiliated association or branch of the National Association of Credit Men and accepts such certificate subject to the Constitution and By-Laws of the National Association of Credit Men. No association shall withdraw from the National Association of Credit Men during the year for which the dues are paid, except by the consent of the Board of Directors of the National Association of Credit Men.

Sec. 3. (a) Individual membership shall consist of credit men representing individuals, firms or corporations, as hereinbefore provided, who may join the Association directly.

(b) All applications for membership must be made to the Secretary in writing, and shall by him be referred to the Membership Committee, whose action shall be final.

(c) Any individual member more than sixty days in arrears of dues shall cease to be a member of this Association.

Sec. 4. Any officer, member or affiliated association may be suspended, expelled or otherwise disciplined for cause, provided such officer, member or affiliated association has been served with a written notice of the charges preferred against him or it at least fifteen days before a hearing thereon. Such hearing shall be before the Board of Directors and such officer, member or affiliated association shall have the right to be heard thereon. The action of such Board of Directors shall be final.

J. H. Kentnor, of St. Louis—I move that the article be adopted as read.

Motion seconded.

A. P. Foute, of Fort Worth—I want to refer particularly to sub-divi-

sion (c) of Section 3, with reference to suspending an individual member for non-payment of dues. I notice in that section the individual member does not get the same consideration that the associate member gets, and I think there should be some provision, at least providing that this individual member should have been notified by registered mail, or that some actual notice be given him of his arrearage—say two notifications or a notice by registered mail from the Secretary. I think that some men who are individual members might perhaps overlook a notice; and my purpose is to protect those men and provide an opportunity to find out certainly that they do not want to pay.

President Fessenden—Do you offer that as an amendment?

Mr. Foute—I do.

F. W. Risque, of St. Louis—This clause is discretionary about suspending, and I think you can leave that matter to your directors; but in case of emergency the committee thought best to place that power in the hands of the Board of Directors, so that summary action could be taken if necessary.

Mr. Foute—The section reads very plainly that this expulsion is mandatory. There is no reference to the Board of Directors, as there is for an association failing to pay its dues, but it arbitrarily expels the member, as it now reads, and I want to have it changed so that it will not expel the member without some fixed notice.

F. S. Evans, of Philadelphia—In regard to this section nothing is said about expelling a member. It says he shall be dropped. Now, if there is any cause why he should not be dropped, if it were an accidental overlooking of payment of dues, that notice of his being dropped at least will reach him. Then it is a mere question of tendering his dues again and rejoining. In other words, he is in no worse position after being dropped than if he were in arrears.

W. P. Peter, of Dallas—I offer an amendment that the word—

President Fessenden—Mr. Foute's amendment is before us.

Mr. Peter—He did not put his amendment in words for action. He merely offered a suggestion.

President Fessenden—I asked him if he offered that as an amendment, and I understood that he did.

Mr. Foute—Yes, sir. My amendment would read:

“(c) Any individual member more than 60 days in arrears of dues shall cease to be a member of this Association, provided he has been notified at least twice by the Secretary, of the non-payment of his dues.”

Seconded.

President Fessenden—That amendment has been seconded.

(Vote taken.)

President—In the opinion of the chair the ayes have it. The ayes have it and the amendment is adopted.

Motion made and seconded that Article III as amended be adopted.

B. W. How, of Duluth—Does this provide for any associate membership? We have in the old Constitution an associate membership.

Mr. Evans—This article does not provide for it.

Mr. Risque—That is covered elsewhere.

Mr. How—I refer to such classes of membership as commercial agencies, who are not and cannot be active members of the association, and collection attorneys, etc.

Mr. Risque—I think I can elucidate that. That is covered by the By-Laws. If an association admits a man as being worthy of membership in the local association, the national directors admit him to a membership in the National Association, the same as any other member.

President—The question is on the adoption of Article III as amended.

(Voices—Question! Question!)

Vote taken.

President Fessenden—The article is adopted as amended.

President—The Secretary will now read Article IV of the revised draft.

Secretary—Article IV is as follows:

Annual Dues—The annual dues shall be as follows:

(Sec. 1.)—For organized membership, \$3.50 for every member on the roll of an affiliated association, which shall be payable annually, in advance; fifty cents of the amount so paid to be tendered to and accepted by the Association as the subscription price, per annum, for each member, to the MONTHLY BULLETIN of the National Association of Credit Men.

(Sec. 2)—For individual membership, \$10, payable annually, in advance; fifty cents of the amount so paid to be tendered to and accepted by the Association as the subscription price, per annum, for each member to the MONTHLY BULLETIN of the National Association of Credit Men.

Mr. Ludlum—I move its adoption.

Motion seconded and unanimously carried.

President Fessenden—Article IV is adopted. The Secretary will read Article V.

Secretary—Article V is as follows:

Annual Meeting—No annual meeting of the Association shall be held, but in the place and stead thereof an annual convention shall be held, which convention shall have and exercise all the powers of an annual meeting. The time and place of holding such annual convention shall be decided upon by the Board of Directors.

Howard Marshall, of New York—I move the adoption of the article as read.

Fisher Harris, of Salt Lake City—I have read this article with a great deal of care, and I find that to the end of the first paragraph of it the committee has acted most admirably. But my contention is with regard to the last paragraph: "The time and place of holding such annual convention shall be decided upon by the Board of Directors."

And I wish, sir, if I can get a second, to get the convention to adopt an amendment as follows:

"The time and place of holding such annual convention shall be decided by the convention held the year preceding."

President Fessenden—The chair will state for the information of Mr. Harris, who was not at the Baltimore convention, which we very much regretted, that a resolution was adopted by the convention at Baltimore, leaving the time and place for holding conventions after 1907 in the hands of the Board of Directors.

Eugene S. Shannon, of Nashville—I move that the gentleman's resolution be laid on the table.

Motion seconded.

(Voices—The motion was not seconded.)

Mr. Harris's motion was then seconded.

J. Q. Critchlow, of Salt Lake City—If the convention in Baltimore adopted this resolution, why is it necessary to have it adopted the second time?

President Fessenden—The chair would say that really it is not necessary, but it is simply to make it uniform and concise, and the committee for that reason thought they would include it in this new form.

The question is on the amendment of Fisher Harris, which has been seconded.

Mr. Marshall, of New York—I trust the amendment will not prevail. The question of the advisability of the convention itself deciding where the next succeeding convention shall be held was thoroughly threshed out at Baltimore. We all understand that it is eminently necessary that the selection of a place for holding the convention shall rest in the hands of the directors. (Great applause.)

Mr. Harris—I do not believe that all the laws and prophets rest with the gentleman who says this amendment should not pass. (Applause and laughter.) I am inclined to think that if the amendment be placed before the convention it will be defeated, but it ought to be carried, and the gentleman will know it before we get through. Majorities are not always right. The choice of a meeting-place of a convention of this importance ought not to be delegated to any set of men, but ought to be left in the hands of the convention. (Great and long continued applause.) There is wisdom in the proposition to adopt it—more wisdom than you think—and all over the United States of America the most successful organizations leave the question of the choice of their meeting-places in the hands of the people present at the convention, and it ought to be so. Do with the amendment what you please, but you ought to pass it, and I want you to pass it. (Applause.)

Mr. Ludlum, of Philadelphia—Gentlemen, I am not going to try to respond, but if we cannot trust our Board of Directors in the matter of the selection of where the convention shall be held, I do not think we ought to elect a Board of Directors.

Mr. Shannon—I call for my motion.

President Fessenden—I heard no second.

Mr. Shannon—It was seconded twice, but perhaps not distinctly.

President Fessenden—If the gentleman who seconded it will arise so as to make the record clear I would like to have him do so. (Laughter.)

A. H. Watson, of New York—I hope the motion to table will not prevail. It would not be courteous. I hope the amendment is voted upon. (Applause.)

President Fessenden—The business before the convention is on the amendment offered by Mr. Harris, of Salt Lake City.

Mr. Harris's amendment was then voted upon.

President Fessenden—The amendment is lost.

Mr. Randel, of Cleveland—I would like a ruling as to how many times an individual can talk on any one article, and how long he can talk on the article.

President Fessenden—The rules under which we are acting provide that a chairman of a committee shall have 5 minutes; that any other speaker is confined to 3 minutes, and must speak only once to the subject, unless he is given the unanimous consent of the convention. Gentlemen, the question now before you is on the adoption of the article.

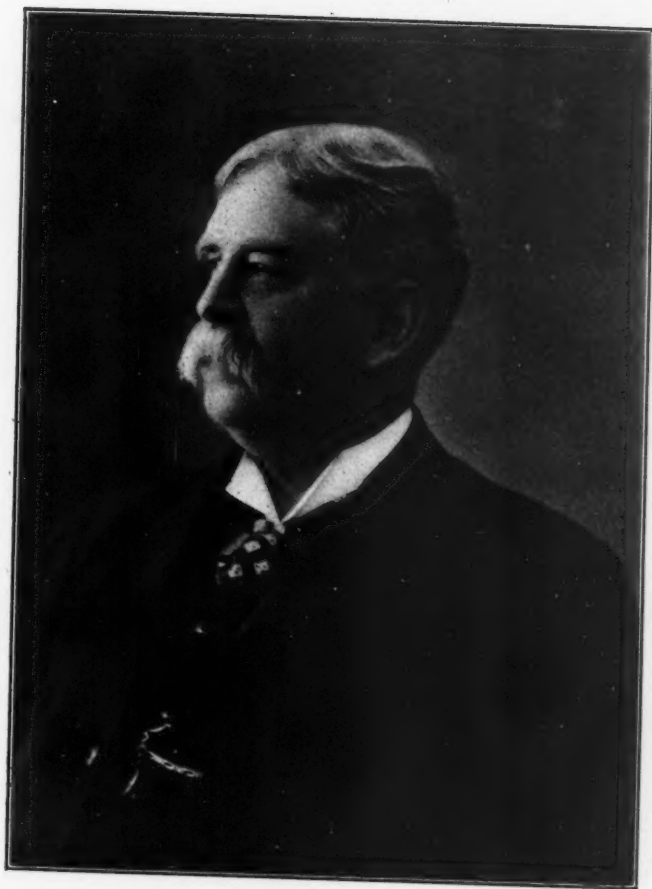
Motion made, seconded and unanimously carried that the article be adopted as read.

President Fessenden—The article is adopted as read.

The Secretary will read Article VI.

Secretary Meek—Article VI is as follows:

REPRESENTATION—Each affiliated association shall be entitled in annual convention to one delegate for every twenty members or fraction thereof. Each delegate shall at an annual convention be entitled to poll one vote for each member he may represent. Any delegate present at an annual convention may also be designated by the association he repre-



Director
GEORGE H. GRAVES
Walworth Mfg. Co., Boston, Mass.

sents to act as alternate for one or more delegates from the same association not attending such annual convention, and when so designated, such delegate in addition to his vote as delegate, shall have the right to vote as alternate for such non-attending delegates. Each individual member present at an annual convention shall be entitled to one vote, provided he is not a member of a local association represented by a delegate or delegates as before mentioned.

Individual members, not members of a local association, and not present, shall be entitled to vote by proxy; provided, however, that the holder and giver of the proxy shall be residents of the same State.

No salaried officer or employee of the Association shall have the right to hold a proxy.

A. J. Gaehr, of Cleveland—I move that the article be adopted as read.

Seconded.

H. M. Battin, of Milwaukee—I want to speak on this article and offer an amendment. You will find the amendment to which I refer on page 6. Cut out "provided he is not a member of the local association represented by a delegate or delegates as before mentioned."

Also cut out:

"not members of a local association."

So as to read:

"Each individual member present at an annual convention shall be entitled to one vote. Individual members not present shall be entitled to vote by proxy."

Now, the point I make is this: that I do not consider it justice that because an individual firm is a member of a local association and also maintains an individual membership in the National Association, that that firm should have less representation in this convention than any other member. Now, for instance, if you please, we will suppose that my firm maintains a membership in the local association in Milwaukee, and also maintains a membership in the National Association. They pay two sets of dues; but when they come to the convention here they have only one representative, although they are paying dues for two. Now, individual members of the National Association who are not members of a local association, are provided here with all the privileges in the convention that a regularly elected delegate has. I contend, therefore, that if I pay two annual dues I am entitled to two votes; I am entitled to represent myself here in person or by proxy for the membership that I hold and pay for, and I trust that the amendment I offer herewith to cut out those lines that discriminate against the individual member who is also a member of the local association, may prevail.

Amendment seconded.

Mr. Risque—The views of the committee on this point were that no member should have more than one vote, no matter how many memberships he should have. We thought that that was just and equitable. If he had an individual membership, he should determine which one he wished to vote,—if as a member of the local association, well and good, if as an individual member all right,—but that no one member having a dual capacity, should have more than one vote.

Hugo Kanzler, of New York City—Judging from the manner in which this is done, the greatest inequality is shown. It is not right that an individual member should be deprived of his rights as a member of the National Association, merely because the local association of which he is a member has deemed it proper to elect him a delegate. I appeal to you—Is it fair, or consistent with a high sense of honor, to deprive a

man of that right as a member of this association individually, simply because he is a representative also of a local branch in the capacity of a delegate, and is it fair to say to him that we deprive you of your individual right because you are a delegate? I say to you that it is not fair. (Applause.)

Phillip Present, of Rochester—I agree with the gentleman who has just spoken. For instance, I hold two proxies. I hold a proxy of a gentleman whom we elected as a delegate from a local association, who gave me his proxy as a member of the National Association. Now, if I go home and tell the gentleman whom I represent that he has been deprived of his representation because of this clause in the Constitution, he will undoubtedly send in his resignation to the National Association. He will say, there is no use of paying \$10 a year if he has no voice in the convention, and I am afraid we will lose a good many individual members of the association if this clause is adopted as read. I thoroughly agree with the gentleman who spoke first.

W. A. Given, of Pittsburgh—If this were a stock association I think it would be all right for a man to be responsible for as many memberships as he chose to pay for, and vote them; but this is not a stock association. We are voting simply as members, and the committee of which I was one, took it up on this ground, and thought that it was just and equitable that one man should cast no more than one vote. I am a national member, and I expect to remain a national member, but I do not believe that it would be fair for me to cast two votes when some other man only casts one, though he is entitled to as much, really, as I am. Therefore I hope that the amendment will not prevail.

J. H. Kentnor, of St. Louis—I think the intention of national membership is to provide for members who have no local affiliation; and it does not seem fair that a man should have a local and a national membership and therefore gets two votes instead of one. There are, as you know, a great many members who hold a membership in the National Association who have no local affiliation whatever, and I think the intention of the section here is to cover the two memberships, where one association membership should be plenty.

B. E. Borges, of Chicago—The committee may have had some object in changing this power of voting, but if they have, perhaps they can explain what incentive there is for belonging to the National Association, if the voting power is lost and is obtained directly from the local association. What is the object of holding two memberships? I hold two memberships, and if I am deprived of my vote as an individual, and do not come here as a delegate, I might as well drop the national membership and simply belong to the local organization and take a chance of becoming a delegate. There may be a reason why a man wants two memberships aside from the voting power, but I cannot see what the object would be. If there is nothing else to be gained it strikes me that the individual member who pays \$10 a year, the same as the local members, should have the right and the power to come here and discuss questions and be a factor in every convention; and I think if you deprive him of his vote, you are taking away just \$10 worth from him.

J. A. McKee, of Philadelphia—The last speaker is right. The disintegration of the National Association would commence from the hour you took away any privileges or rights under the membership. The National Association should be sustained by the local associations and by the individual membership. It would be far better if every firm connected with the National Association in the local branches would become a

member of the National Association, because thereby they would strengthen the association in all its movements; by so doing they would add power of action and concert of movement, and they would strengthen the Association financially; and therefore I believe that a man who becomes associated with the National Association, should also have his vote in that association. The thing might be circumvented by having a different member of the firm represent it in the National Association, from the one who represents his firm in the local association. You certainly would not then deprive that house of the rights of both kinds of membership. I believe that the article ought to be amended.

Mr. Gaehr, of Cleveland—I submit that an individual member, selected as a delegate, has every right that the individual member has; he can vote and possesses all that power, and I do not believe that the gentlemen who seek a change are correct, and I cannot agree with them in any respect.

C. S. Dickey, of St. Joseph—This is an important question, which determines whether this is to be a representative body or not. Is it to be conducted as a democratic representative organization? I am in favor of that section as presented by the Committee and I believe it is an unselfish movement on the part of this Committee to put that in the Constitution and in the interest of real representative government of this association.

Charles W. Burrows, of Cleveland—I sincerely hope that the amendment will not prevail. There is a very important point here. The revising of the Constitution and By-Laws you have delegated to a committee that has spent days of work, and it seems to me that you should respect their judgment. (Applause). The genial Mr. Dooley said that if a man did not know anything about a subject, and was simply a bundle of words, he was an orator; but if he knew all about the subject and did not know how to speak; then he would make a very good speech. I think these gentlemen know all about the subject. Now, as I read it, there is no danger of disfranchisement for any man; he has simply got the alternative franchise; and it seems to me that he should have the one or the other, as I conceive the matter, but he should not have both. (Applause).

A. N. Ritz, of Milwaukee—I think the whole thing hinges right here: If you deprive the individual members of their vote you drive them out of the association, and it becomes a question whether you want to retain them or not.

President Fessenden—The question is on the adoption of the amendment. (Amendment defeated.)

John Q. Critchlow, of Salt Lake City—I do not think the members understand it.

President Fessenden—The vote has been taken, but I will ask the stenographer to read the amendment.

(Amendment read).

After the reading of the amendment the vote was again taken.

President Fessenden—In the opinion of the chair the noes have it. Is the vote doubted?

(Voices—Yes, yes).

President Fessenden—All those in favor of the amendment offered will please raise their right hands and the secretary will count them.

(This was done).

President—The amendment is lost.

B. E. Borges, of Chicago—The question has been raised whether



Director
OSCAR LOEFFLER
Goll & Frank Co., Milwaukee, Wis.

an individual member coming here as an individual member but not as a delegate, still retains his vote. Does he retain his vote?

President Fessenden—The Chair understands he does.

A. J. Gaeher, of Cleveland—I am inclined to think that the reading of this paragraph will show that the gentleman on the other side of the room is right.

A. P. Foute, of Fort Worth—In line three of that article, I move that the word fifteen be inserted where twenty is. I have the highest regard for the gentlemen who drew this Constitution and for their wisdom, but I speak from the standpoint of an association that is in a sparsely settled country, and in a section where this national association needs members and needs coöperation. It is a very difficult thing for us to get fifteen members, for the purpose of getting an additional vote. I am satisfied that this provision was put in there for the purpose of cutting down this convention and making it not unwieldy. I am entirely in sympathy with that view, but on the other hand my experience has taught me, that the representation must not be too restricted. From the first convention that I attended I went home inspired and enthused by the work done by this association, and I think, gentlemen, and I appeal to this convention, in behalf of that section of the country where we yet have nothing like the membership that we can get, that you should give us a chance to send more delegates, at least for the present, until we can get the enthusiasm in the South, such as you gentlemen have in the North; and I would like to have the amendment adopted. I believe it is the wise thing to do. I think the more credit men we can bring to this convention, the better it is. They will go back and tell what has been done, and it will be better for us. I hope this convention will adopt this amendment.

Amendment seconded.

(Voices—What is the amendment?)

President Fessenden—The amendment is that twenty be stricken out and fifteen inserted in its place.

Vote taken.

President—The Chair is in doubt.

The vote was again taken.

President—In the opinion of the chair the noes have it. Is it doubted?

(Voices—Yes.)

President—All those in favor of the amendment will raise their right hands and keep them raised until counted.

This was done.

President Fessenden—The vote is 103 in favor, and 125 against the amendment, and the amendment is lost.

Thos P. Robbins, of Cleveland—Would it be possible to reconsider that vote?

President Fessenden—Yes, do you move a reconsideration?

Mr. Robbins—It is just a question of figures. We thought by inserting twenty, we would keep the convention about the same size that it has always been. The committee just pitched on twenty. It had been ranging from ten to twenty-five. Now, in consideration of those associations which are smaller in number than New York and Chicago, I think myself it might be well to reconsider this, and to make fifteen the initial number, and so, Mr. President, I move a reconsideration of the vote.

Motion seconded and carried.

President Fessenden—The amendment is now before you.

T. H. Green, of Minneapolis—I want to offer an amendment.

President Fessenden—The amendment of Mr. Foute is before the convention.

W. P. Peter, of Dallas—I move its adoption.

President Fessenden—The question is on the motion of Mr. Foute, the matter having been reconsidered and the question on the amendment now being called for. In other words, you are simply voting over again, because you voted to reconsider, and there being no remarks, the chair will put the question.

(Vote taken.)

President Fessenden—In the opinion of the chair the ayes have it and the amendment is adopted. The amendment is adopted.

T. H. Green, of Minneapolis—I move that in Article 6, Paragraph 1, the word "member" be changed to "delegate," and the words "represented by a delegate or delegates as before mentioned" be stricken out.

And in the next paragraph that the words "not members of a local association, and" be stricken out so as to read:

"Each individual member present at an annual convention shall be entitled to one vote provided he is not a delegate of a local association, and individual members not present shall be entitled to vote by proxy."

Amendment seconded.

Vote taken.

President Fessenden—In the opinion of the Chair the ayes have it.

(Vote doubted.)

President Fessenden—All those in favor of Mr. Green's amendment raise their hands.

Secretary Meek—One hundred and fifty-eight votes in favor of the amendment.

President Fessenden—Is it worth the while to count the negative votes?

President Fessenden—The amendment is adopted.

The article as amended is now before the convention for such action as it deems proper.

Moved, seconded and unanimously carried that the article as amended by Mr. Foute and Mr. Green be adopted.

President Fessenden—It is adopted. The Secretary will read Article VII.

Secretary—It is as follows:

OFFICERS.

The officers of the Association shall consist of a President, a 1st Vice-President, a 2nd Vice-President, a Treasurer, a Secretary and a Board of Directors, consisting of fourteen members and the President, 1st Vice-President, 2nd Vice-President, the Treasurer and the Secretary, by virtue of their offices.

The President shall be Chairman of the Board of Directors.

At the annual convention in 1907 there shall be seven Directors elected, four of whom shall be elected for the period of one year, and three of whom shall be elected for the period of two years, and thereafter, in each year, there shall be elected seven Directors whose terms of office shall be two years.

The terms of office of all other officers shall be one year, or until their successors shall be elected, and all officers shall serve without compensation, except the Secretary, whose salary shall be fixed by the Board of Directors.

J. H. Kentnor, of St. Louis—I move the adoption of the article as read.

Motion seconded and unanimously carried.
President Fessenden—Article VII. is adopted as read. The Secretary will read Article VIII.
Secretary Meek—Article VIII. is as follows:

MANNER OF ELECTIONS.

The President and the Vice-Presidents shall be elected by ballot at each annual convention in the following manner:

After nominating speeches have been made, the convention will proceed to ballot for said officers for the ensuing year, and the nominees receiving the highest number of votes for the respective offices shall be declared elected.

The Board of Directors shall be elected in annual convention, in the following manner:

At the first session of the convention a nominating committee of ten shall be appointed by the President, who shall receive and present to the convention the names of candidates for the Board of Directors. A ballot shall be taken and the candidates receiving the highest number of votes shall be declared elected to fill the existing vacancies. No affiliated association shall be entitled to more than one representative on the said Board.

The Secretary and the Treasurer shall be elected by the Board of Directors. The offices of Secretary and Treasurer may be filled by one person.

John R. Cooke, of St. Louis—I move that the article be adopted as read.

H. H. Nance, of Nashville—I think the last clause should read "shall be filled" instead of "may be filled."

Voices—No, no.

F. H. Suffel, of St. Paul—I would like to ask if this convention adopt this Constitution and By-Laws, will not it have adopted them in the second session, for the reason that the first session of our convention has already passed? If so, how can the Constitution and By-Laws be made applicable thereto?

President Fessenden—This is a continuous session with a recess.

F. E. Huggins, of Columbus—I wanted to ask if in the election of these seven directors, the three receiving the highest number of ballots shall be elected for a period of two years, and the other four for a period of one year—or how is that to be determined?

President Fessenden—The Chair would say that the convention would have to determine that afterwards.

Mr. Huggins—Would it be right to submit an amendment as follows:

"That the three candidates for Directors, receiving the largest number of votes shall be elected for a period of two years; and the four receiving the next largest number of votes shall be elected for one year." For the year 1907.

President Fessenden—Yes.

Mr. Huggins—Then I move that that amendment be adopted.

J. A. Ely, of Memphis—The previous article says that the Board of Directors shall consist of officers, and then names them, and says the office of Secretary and Treasurer may be filled by one man—will that man be two directors? (Laughter.)

A vote was then taken.

President Fessenden—The amendment is unanimously carried and adopted.

A motion was made that the article as amended be adopted.

James E. Porter, of Pittsburgh—In the second clause of Article VIII, in the third line there should be another word after the words "after nominating speeches have been made, the convention will proceed to ballot." It appears to me that the word "separately" should be inserted there.

President Fessenden—Do you offer that as an amendment?

Mr. Porter—It appears to me the way it reads you can ballot for all the officers at the same time and I offer that as an amendment.

Amendment seconded.

Vote taken.

President Fessenden—The amendment is carried and adopted.

A motion was then made that Article VIII as amended, be adopted.

Fisher Harris, of Salt Lake City—I do not see why this amendment was adopted.

President Fessenden—Does the gentleman move a reconsideration?

Mr. Harris—I ask for reconsideration. I do not think the article is clear as amended.

No second.

President Fessenden—The amendment offered by the gentleman from Pittsburgh refers simply to the election of president and vice-presidents.

Jacob Gazan, of Savannah—I would like to offer an amendment to the second paragraph of this article, so that it shall be necessary in order to elect our officers, that the successful candidates receive a majority of the votes. I do not believe in a plurality election. It would be possible to put up a dummy candidate who would scatter the vote and give the minority candidate the election. I think that any member who is elected to an office, ought to have the majority vote of all the delegates.

President Fessenden—Do you offer that as an amendment?

Mr. Gazan—Yes.

(No second).

Motion to adopt the article as amended, seconded.

Vote taken.

President Fessenden—Article VIII as amended is unanimously adopted. The Secretary will now read Article IX.

Secretary Meek—Article IX of the revised draft is as follows:

ORDER OF BUSINESS AT CONVENTIONS.

The following order of business shall be observed at conventions:

1. Report of the President.
2. Report of the Treasurer.
3. Report of the Secretary.
4. Appointment of Committees.
 - (a) Resolutions.
 - (b) Auditing.
 - (c) Credentials.
 - (d) Nominations.
5. Announcement of Chairmen of State Delegations.
6. Reports of Standing Committees.
7. Reports of Special Committees.
8. Elections.
9. Unfinished Business.
10. Miscellaneous Business.

W. P. Peter, of Dallas—I move that the article be adopted as read. Motion seconded and unanimously carried.

President Fessenden—Article IX is adopted as read. The Secretary will read Article X.

Secretary Meek—Article X is as follows:

STANDING COMMITTEES.

The standing committees shall be:

- A. Legislative.
- B. Bankruptcy.
- C. Adjustment Bureau.
- D. Membership.
- E. Mercantile Agency and Credit Coöperation.
- F. Business Literature.
- G. Credit Department Methods.
- H. Investigation and Prosecution.
- J. Fire Insurance.

The committees shall be appointed by the President as soon as possible after the annual convention, subject to the approval of the Board of Directors.

F. S. Evans, of Philadelphia—I would like to offer an amendment to section E, that the Committee on Mercantile Agencies be called Committee on Coöperation with Mercantile Agencies. The difference is very slight in a sense. Possibly there is no difference in our understanding of it—it is merely in our expression of that understanding. The mercantile agencies feel that they should not be put in a position of being constantly under correction, as it were, as understood by the title of our former committees; but rather, that we should have a committee of coöperation with them in their work toward the betterment of their service, and toward the better understanding of their methods by ourselves; and the thought has occurred to us (that is, the Philadelphia delegation) that if the title were "Committee on Coöperation with Mercantile Agencies," it would be a very much better title than that which we have heretofore had.

F. W. Risque, of St. Louis—The Committee thought that the old title "Improvement of Mercantile Agency Service" was a reflection. They cut out the word "improvement," and suggested "Mercantile Agency and Credit Coöperation." It means any outside coöperation that we get, other than the mercantile agency. Consequently there is no reflection, and it is a very good dignified title, we thought.

A. H. Foote, of St. Louis—I second the motion.

Vote taken.

President Fessenden—In the opinion of the Chair the amendment is lost. Is it doubted?

Voices—No, no.

President Fessenden—The amendment is lost. The question is now on the adoption of the article.

Motion made, seconded and unanimously carried adopting the article as read.

President Fessenden—Article X is adopted. The Secretary will read Article XI.

The Secretary then read Article XI as follows:

QUORUM.

The constitutional quorum shall consist of one hundred members or delegates present and qualified to vote.

The quorum for the Board of Directors shall be nine.

Motion made, seconded and unanimously carried that the article be adopted as read.

President Fessenden—The article is adopted as read, and the Secretary will read Article XII.

Secretary Meek—Article XII is as follows:

MANAGEMENT.

The management of this Association shall be vested in the Board of Directors, and the appropriation of all moneys for the necessary expenses of the association shall be made by that Board.

Mr. Ludlum, of Philadelphia, moved the adoption of the article.

Motion seconded and unanimously carried.

President Fessenden—The article is unanimously adopted. The Secretary will read Article XIII.

Secretary—Article XIII is as follows:

CENTRAL OFFICE.

The central office of the Association may be located in such city as the Board of Directors shall decide

Motion made, seconded and unanimously carried that the article be adopted as read.

President Fessenden—The article is adopted, and the Secretary will read Article XIV.

Secretary—Article XIV is as follows:

AMENDMENTS.

Alterations, additions or amendments to the Constitution or By-Laws of this Association shall be made only at a regular convention thereof, and by a two-thirds vote of the members represented thereat. No proposition to alter, add or amend shall be acted upon unless written notice thereof has been given to the Secretary at least thirty days prior to the holding of the convention at which the same is to be submitted for action. A copy of any such proposition shall be embodied in the call for the next regular convention and published in the MONTHLY BULLETIN before the date of such next regular convention at which the proposition is to be acted upon.

A. J. Gaehr, of Cleveland—I move an amendment so that after the words "unless written notice" the words "or printed notice" shall be included.

Seconded.

J. H. Kentnor, of St. Louis—Might it not be well to say in the 6th line down, where it reads:

"No proposition to alter, add or amend shall be acted upon unless written notice thereof has been given to the Secretary at least thirty days prior to the holding of the convention at which the same is to be submitted for action"—might it not be well to change that to sixty days?

President Fessenden—I shall declare that out of order at present. The Secretary will read the proposed amendment.

Secretary Meek—The insertion of the words "or printed" after the words "unless written" in the 8th line.

Motion was made that the amendment be tabled.

Motion seconded and lost.

President Fessenden—The amendment is before you.

W. P. Peter, of Dallas—Why not add "provided the publication of the BULLETIN shall be at least thirty days prior to the convention"?

President Fessenden—You are out of order. We are now on the amendment to insert the words "or printed."

Amendment unanimously carried.

President Fessenden—The amendment is adopted.

Mr. Peter—I move to amend Article XIV by inserting "provided the publication of the BULLETIN shall be at least thirty days before the meeting of the convention."

Seconded.

F. W. Risque, of St. Louis—I will second Mr. Peter's amendment to bring the matter up, but I shall vote against it. I am in favor of having the freshest news possible consistent with good business. If we print it in the number immediately preceding the convention it will be fresh in our minds. Consequently I would like to stand by the article as written, if the secretary has 30 days' notice.

Mr. Peter—If the gentleman will bear in mind that in the case of this convention the monthly BULLETIN had not reached us before we left home, I will ask him how we could have any notice of the amendments to be acted on in this convention? I think we should have reasonable notice before amendments are acted upon, whether it comes in the BULLETIN or through the mail direct; but at all events, we should have a reasonable notice.

President Fessenden—It could be published twice, if an amendment were offered to that effect, in two issues of the BULLETIN; but I am advised by the secretary that it would be impracticable to carry out your suggestion, but if you offered an amendment that it be published in two BULLETINS, would not that cover your point?

Mr. Peter—I accept your suggestion, and offer an amendment that it be published in at least two monthly BULLETINS.

Mr. Kentnor, of St. Louis—We can change the word "thirty" to "sixty" days, and if the amendment is filed sixty days before the annual convention you will have all the information you ask for.

Mr. Peter—I think the publication in two issues of the BULLETIN next preceding the convention, would give all the notice we want.

Mr. Kentnor—Then you would have to have your notice filed sixty days before the convention, to get it into two issues.

Mr. Evans—The gentleman from St. Louis is quite right. The thirty days' notice to the Secretary is inconsistent with publishing it twice in the monthly BULLETIN. If it is the idea of the convention that the amendment shall be printed in two monthly BULLETINS prior to the convention, certainly a longer notice must be given to the Secretary.

President Fessenden—I would like to have the Secretary explain in regard to the publication of the BULLETIN. It will give you such information as will allow you to act intelligently.

Secretary Meek—The BULLETIN is issued under the date of the 15th of each month. The copy has to be in the hands of the printer—that is the majority of the copy has to be in the hands of the printer no later than the second day of the month. Between the 2d and the 5th we are enabled to get in important matter which may be sent in for that month's issue of the BULLETIN, the BULLETIN going to press or the forms being locked about the 8th of each month.

A. H. Burt, of Buffalo—I think that the publication of these amendments in two issues preceding the convention is unnecessary and uncalled for, because it might have the tendency of cutting out some worthy amendment that would be offered through the Secretary perhaps thirty days prior to the holding of the convention. If you would change this to read "published in the monthly BULLETIN one month before the date of such regular convention" just inserting there "one month," that would bring it in the month preceding the date of the convention, and should give ample notice.

Mr. Peter—I accept the gentleman's amendment.

Mr. Ludlum, of Philadelphia—I think we could simplify that proposition. I agree with Mr. Burt that something important might come up. We state here that it will be sent out with notices calling a convention, and we will publish it if possible, in the monthly BULLETIN; and I think that ought to cover it. I should like to see the resolution adopted as read.

Mr. Evans—You want to be careful there, because the amendment reads "shall be published at least one month before the convention." Now we may have our convention on the 13th, and the BULLETIN comes out on the 15th, and that is not one month before. If he will make his amendment read "shall be published in the month preceding the date of the convention," it will cover it.

Mr. Burt—That was my intention. I accept that amendment.

Mr. Risque—I think that this amendment provides for this very thing.

President—Amendment of what?

Mr. Risque—I mean this section as framed—for what you gentlemen are now asking.

Mr. Peter—I desire to accept the amendment.

H. L. Eisen, of Milwaukee—I understand the last amendment just corroborates what is said in the original article, and I think the amendment is superfluous.

B. E. Borges, of Chicago—I am very clear on that point, because it reads "published in the monthly BULLETIN," etc., and that provides that all amendments shall appear in the BULLETIN sent out just preceding the convention, and that is the month previous; because if we follow out the custom of years gone by, the BULLETIN would not be published for the current month until after the convention is held. So that all amendments would appear in the monthly BULLETIN of the month previous; and I do not believe we need any change.

Mr. Evans—I offer to substitute the word "preceding" for the word "before," so that the article shall read: "shall be published in the monthly BULLETIN preceding the date of the next annual convention."

Seconded.

Fisher Harris, of Salt Lake City—I offer as a substitute, that the article stand as given.

President Fessenden—That is not in order. Are you ready for the question on the substitute offered by Mr. Evans?

Mr. Peter—Has it been seconded?

President Fessenden—It was seconded.

A. H. Watson, of New York—I move that the amendments be laid upon the table.

Motion seconded and carried.

Mr. Perry—I move the adoption of the article as amended.

Seconded.

Mr. Peter—I move a reconsideration of the motion. We should receive the notice to which we are entitled, and we voted under a misapprehension.

George Guckenberger, of Cincinnati—I rise to a point of order. I am satisfied that the gentleman voted against the motion—how can he move to reconsider.

Mr. Evans—I think the convention is quite satisfied, as I have been from the start, that the labors of the committee have been what we want; the only thing involved is a proper understanding as to what

notice members are to get. There is another question in all matters of this kind, that every member and every association is entitled to reasonable notice of any amendment. Now the committee used the word "before" to accomplish what most of us want to accomplish, that is, to have the notices printed in the BULLETIN preceding the convention. Had they been happy enough to use the word "preceding" instead of the word "before" there would have been no discussion; and therefore, in offering that amendment, or substitute, as I did, I merely wanted to simplify matters. But the convention seems quite satisfied to understand "before" as meaning "preceding," and if the convention understands it so, that is exactly what it means. And notwithstanding my friend Watson's motion to lay on the table—he is a most courteous gentleman—yet when he comes up against an intimate friend—a man whom he thinks perhaps as much of as I do of him, he moves to table my resolution. (Laughter.)

Point of order withdrawn.

Mr. Peter's motion to reconsider was not seconded.

President Fessenden—The matter before you is on the adoption of the article as read, with one amendment.

Frank R. Hamburger, of Detroit—As I understand the wording of this article, in order to adopt an amendment it will be necessary to obtain a three-fourths vote of all members represented. That might not always be possible. Sometimes it will be difficult to obtain an attendance of two-thirds of the members represented. I believe that the wording should be "by two-thirds vote of the members present."

Mr. Risque—That is what it says, practically.

Mr. Hamburger—It says by a two-thirds vote of the members represented thereat. If I understand the wording of this article, it means that in order to adopt an amendment it must be adopted by a vote of two-thirds of the members represented—not present. In a city like Chicago frequently one-third would be outside of the convention hall, and less than two-thirds present. Consequently no amendment to the Constitution could in that case be adopted, if I read correctly. I move to strike out the words "represented thereat," and insert the words "present and voting."

Kenneth R. Taylor, of Cleveland—As I understand this wording, the gentleman is correct, and I second the amendment.

Motion made to table the amendment.

Seconded.

Mr. Risque—I wish the gentleman would withdraw the motion and the amendment.

Motion and amendment withdrawn.

Mr. Risque—How can you be represented either in person or by proxy—

Mr. Hamburger—You might be outside.

Motion to table amendment renewed.

Seconded and carried by unanimous vote, except that Mr. Hamburger voted in the negative.

President Fessenden—The motion is on the adoption of Article XIV. as amended by inserting the words "or printed" after the words "unless written" in the 7th and 8th lines.

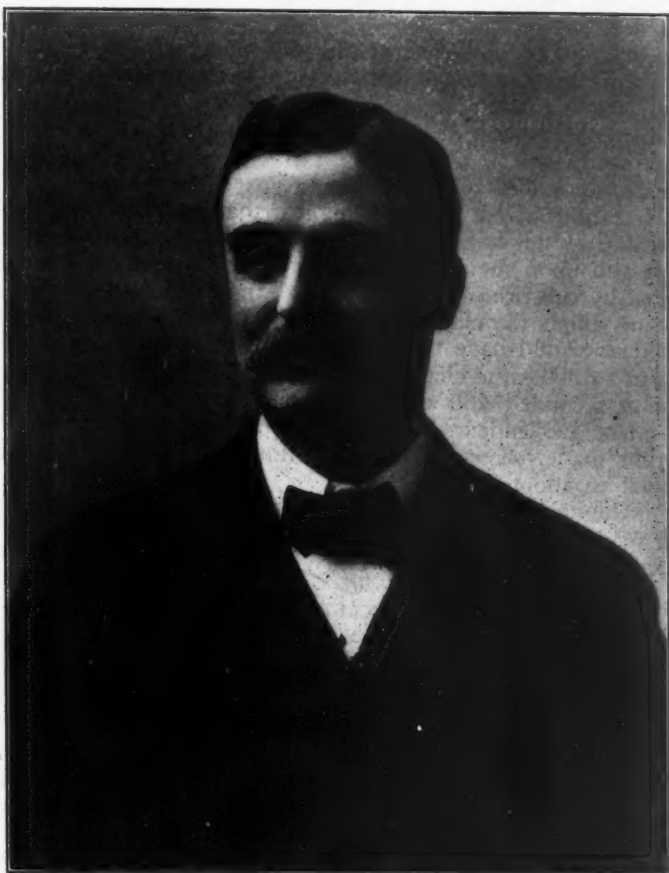
Motion made to adopt the article as amended.

Seconded and unanimously carried.

President Fessenden—The article as amended is adopted.

The Secretary will proceed to read the draft of the revision of the By-Laws.

Secretary Meek—Article I of the By-Laws is as follows:



Director

CHAS. G. RAPP

Young, Smyth, Field Co., Philadelphia, Pa.

PRESIDENT.

Sec. 1. The President shall preside at all conventions of the Association and meetings of the Board of Directors, and be the chief executive officer, exercising a general supervision over the interests and the welfare of the Association. He shall call special meetings of the Board of Directors at his discretion and upon the written request of three members, and special conventions of the Association upon the written request of three hundred members.

Sec. 2. The Vice-Presidents, in the absence of the President, shall, in their order, perform the duties of and have the same authority as the President.

Sec. 3. In the absence of the President and Vice-Presidents a president pro tempore shall be elected by ballot from the Board of Directors.

Howard Marshall, of New York—I move the adoption of the article as read.

Motion seconded.

F. H. Suffel, of St. Paul—I suggest that in the clause which reads in section 1 "he shall call special meetings of the Board of Directors at his discretion and upon the written request of three members," etc., should be changed by substituting the word "or" in the place of "and." As the section now stands the clauses would have to be construed together, and the President would have to act upon a written request, and I move an amendment to make the change as indicated.

Motion seconded and unanimously carried.

President Fessenden—The amendment is adopted.

Motion made, seconded, and unanimously carried that the article as amended be adopted.

President Fessenden—The article as amended is adopted. The secretary will read Article II.

Secretary Meek—Article II is as follows:

SECRETARY.

Sec. 1. The duties of the Secretary shall be such as may be assigned to him from time to time by the Board of Directors. He shall answer all correspondence, may sign all documents issued by the Association, shall keep the accounts, receive all moneys paid to the Association, and shall turn the same over to the Treasurer within thirty days, taking his receipt therefor, and shall make a report to the annual convention. He shall give bond for the faithful discharge of his duties in a sum and with sureties as required by the Board of Directors.

Motion made, seconded and unanimously carried that the article be adopted as read.

President Fessenden—The article is adopted. The Secretary will read Article III.

Secretary—Article III is as follows:

TREASURER.

The Treasurer shall receive from the Secretary all funds paid in, and shall deposit the same in such banking institution as may be designated by the Board of Directors, and shall disburse the same by order of the said Board. His accounts and books shall at all times be open to the inspection of the Board of Directors and the President. He shall make a report to the Association annually, or oftener if required, and give bond for the faithful discharge of his duties in a sum and with sureties as required by the Board of Directors.

Motion made, seconded and unanimously carried that the article be adopted as read.

President Fessenden—The article is adopted as read, and the Secretary will read Article IV.

Secretary Meek—Article IV is as follows:

BOARD OF DIRECTORS.

The Board of Directors shall manage and control the business of the Association and all appropriation of its funds, but shall have no power to make the Association liable for any debt or debts to an amount which shall exceed the sum of cash in the hands of the Treasurer and not otherwise appropriated. The Board shall, as soon after the annual convention as possible, act upon the committee appointments made by the President, and may instruct the President to appoint such other committees as occasion may require, and as may seem proper for the carrying out of the objects of the Association. The President shall, with the approval of the Board of Directors, have power to fill vacancies.

Motion made, seconded and unanimously carried that the article be adopted as read.

President Fessenden—The article is adopted as read, and the Secretary will read Article V.

Secretary Meek—Article V is as follows:

STANDING COMMITTEES.

Sec. 1. The standing committees shall consider such matters as are pertinent to their specific objects, and shall suggest to the Board of Directors for approval such line of action as may be deemed wise. Each standing committee shall consist of five members, with the exception of the Legislative Committee.

Sec. 2. The Legislative Committee shall consist of one member from each affiliated association and one member from each State in which there is no such association.

Motion made, seconded, and unanimously carried to adopt Article V as read.

President Fessenden—Article V is adopted as read. The Secretary will read Article VI.

Secretary Meek—Article VI is as follows:

ASSOCIATION PROPERTY.

All officers and chairmen of committees shall report, in writing, at the annual convention of the Association. All books, documents, reports of officers and reports of chairmen of committees shall be the property of the Association.

Motion made, seconded and unanimously carried adopting the article as read.

President Fessenden—The article is adopted, and the Secretary will read Article VII.

Secretary Meek—Article VII is as follows:

These By-Laws may be amended as provided for in Article XIV of the Constitution.

Motion made, seconded and unanimously carried that the article be adopted as read.

President Fessenden—Article VII is adopted.

Mr. Peter—The Constitution and By-Laws have been adopted section by section, and I now move that we adopt the Constitution and By-Laws as a whole, as amended.

Seconded.

Lee M. Hutchins, of Grand Rapids—I rise in regard to a matter that has been somewhat overlooked, and I will abide by the decision of the Chair, as to how we might proceed. Turn back to the old Constitution, Article VI, and the new Constitution, Article VII, and you will see that it eliminates the State vice-presidents. Many of you may be aware of the change, but there may be many who have not noticed it. I do not think they have amounted to very much so far, but they have added in strength to our association, and it seems to me it would have been well to leave them in there. Now must I move a reconsideration of that article, or may I move an amendment?

President Fessenden—The only motion I could sustain would be that the constitution be adopted as read with the exception of Article VII; but if this gentleman will withdraw his motion, you can then reconsider Article VII.

The point of order was raised that there was another motion to be acted upon.

Motion to adopt, withdrawn.

Mr. Hutchins—I move that Article VII of the new Constitution be amended so that it shall include State vice-presidents.

President Fessenden—You now move to reconsider?

Mr. Hutchins—Yes.

Motion to reconsider seconded.

Mr. Risque—The Credit Men's Association, under the new Constitution will require that every officer shall have a place and a mission to fulfil. If we have State vice-presidents, and they do not have any specific duties, or any duties, it will not add to our strength or interest; and therefore, the committee thought it best to abolish the offices. If on the other hand, they would add strength, and we could give them some specific duties by which a State vice-president could rally his State and infuse enthusiasm into the organizations in that State, and be of value definitely, it would be necessary to define specific duties for those officers; and the committee went over that matter at length, and came to the conclusion that there would be a conflict as to the expense of State meetings. The National Association could not bear the expense of State meetings, and consequently it resolved itself back into the fact that the National Association, in the opinion of the committee, could not consider the duties of a State vice-president except as being optional with such officer. Therefore the committee abolished the office on that theory. If with that information the convention now wants to open up the question, I presume Mr. Robbins will have no objection.

Mr. Hutchins—I am perfectly aware of the work of the committee, and it could not have been in better hands; and I wish to say that it would not be any hardship upon me or my local constituency to have the office of vice-president—of State vice-president—abolished; but I represent a percentage of men in this audience who have raised the question within a few minutes, of the desirability of doing such a thing as to abolish this office, whether there are duties specifically enjoined upon the officers, or not. I expect to be defeated, but I want to bring up the point, because there is a large percentage, as I say, of men on this floor, who feel differently, and are in favor of continuing the offices of State vice-presidents, however superfluous they may appear to be.

F. H. Randel, of Cleveland—I am in accord with Mr. Hutchins' position with respect to the vice-presidencies adding some strength to the organization and bringing these officers into close touch with the work, but I do not believe this is the proper article to include that in. This article refers to the officers of the corporation, so to say, while the

work of the State vice-presidents is more in the line of committee work, and if it should be put in, it should be included in the article referring to that work, and not contained in an article which appertains exclusively to the officers of the association.

A. H. Burt, of Buffalo—It has always seemed to me that the offices of State vice-presidents have been a very convenient switch on which to side-track the ambitions of some men who had bees in their bonnets; and after they had been elected to their offices they found that they possessed gold bricks. There has been nothing else in them. (Laughter and applause.)

Thos. P. Robbins, of Cleveland—The committee was uncertain, and I think the committee would like to know the sense of the meeting. We did not consider it a matter that we should settle. We dropped it because in our opinion it was an office which was rather out of date; but if it is the sense of the convention that there should be State vice-presidents, then we should provide for them in the list of officers, and provide for their election. The committee thought it was not necessary to continue the offices.

B. G. Watson, of Columbus—Along the suggestion that the State vice-presidents have no definite purpose or duty, I want to call your attention to one thing which might be a definite purpose, and that is where there are 3 or 4 associations in a State when there is some action that ought to be taken by the associations jointly, then the office may be important. That circumstance has arisen in a number of instances where the local associations have worked on matters at cross purposes; that is, one association was attempting to do a certain thing in a certain way, and another in another way, and probably attempting to do the same thing—but they were defeating the very purpose they were attempting to accomplish. Now if there were an officer, whether a State vice-president, or the chairman of some committee, to whom such matters could be referred, it seems to me that the office might be important, and I hope that the matter can be arranged. I suggest that it might be included in Article V.

President Fessenden—We are on the subject of reconsideration.

F. M. Gettys, of Louisville—There seems to be an idea there, and it has been in my mind, whether it is an unwritten law or not, I cannot say; but has it not been generally understood that the office of State vice-president, that is, the holder of that office, has been supposed to keep the national legislative committee in close touch with what is going on in legislative affairs in his own State? That has been my understanding of one duty that the State vice-president has had.

President Fessenden—The motion before the convention is whether the action of the convention in regard to Article VII. shall be reconsidered. It seems to me the debate is taking a wide range. It seems to me that this wide latitude of debate would be proper only in case we had already reconsidered the action of the convention. Shall the action of the convention in regard to Article VII be reconsidered?

(Cries of "question, question.")

The motion to reconsider was put and lost.

Mr. Peter—I move the adoption of the Constitution and By-Laws as a whole, as amended.

Seconded.

President Fessenden—It is moved and seconded that the Constitution and By-Laws as amended be accepted and adopted as a whole.

T. H. Green, of Minneapolis—I suggest that in Article X there be added a clause requiring the appointment of another committee that would be as follows:

"K. Advisory Committee consisting of one member from each State."

I move to reconsider the action on Article X of the Constitution.

Motion to reconsider, seconded.

Mr. Evans—As I understand it now there is a motion before the house to adopt the Constitution and By-Laws as amended.

President Fessenden—Yes, sir.

Mr. Evans—And I understand you have also just listened to a suggestion to the effect that we reconsider Article X, and that was put in the form of a motion.

President Fessenden—The Chair does not consider that motion. I did not hear it.

A. N. Ritz, of Milwaukee—I think it is unnecessary to have a new vote on the Constitution. It has already been adopted.

Mr. Green—I insist on my motion to reconsider.

President Fessenden—Is that motion to reconsider as to Article X, seconded?

Mr. Evans—Does that motion take precedence of the first motion?

President Fessenden—It does; the Chair not having heard the motion by Mr. Peter.

Mr. Evans—Did not Mr. Peter withdraw his motion?

Chairman—I think not. Will Mr. Peter withdraw his motion?

Mr. Peter—I yield to the gentleman.

President Fessenden—He withdraws his motion.

The motion of Mr. Green was seconded.

President Fessenden—The motion is on the reconsideration of the action of the convention in regard to Article X.

(Vote taken and motion was lost).

Chairman—The motion is lost.

Mr. Peter—Now I make my motion and stand by it.

Motion seconded.

President Fessenden—Are you ready for the question on the adoption of the Constitution and By-Laws as offered by the committee and amended at this session.

The vote was then taken, and the motion (except for one vote) was unanimously carried amid great applause.

President Fessenden—The Constitution and By-Laws are adopted. The Constitution and By-Laws, as adopted, are as follows:

CONSTITUTION.

ARTICLE I.

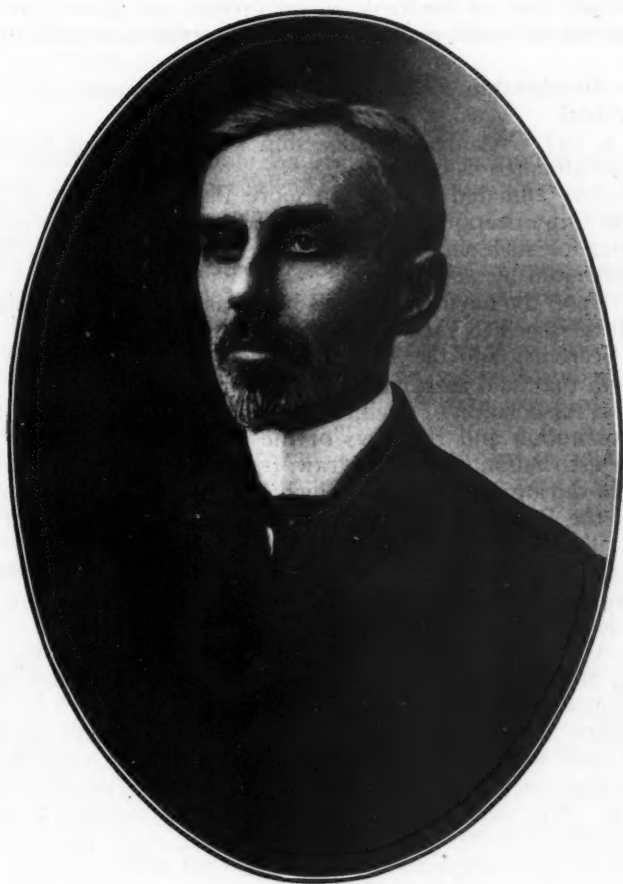
NAME.

This Organization shall be known as "National Association of Credit Men."

ARTICLE II.

OBJECT.

The object of this Association shall be to organize individual credit men and associations of credit men throughout the United States into one central body, for the purpose of rendering more uniform, and establishing more firmly, the basis upon which credits in every branch of commercial enterprise may be founded, which shall include a demand for the reform of laws, Federal and State, unfavorable to honest debtors and creditors, and the enactment of laws beneficial to commerce throughout the United States; also to improve existing methods for the diffusion of information; to gather and disseminate data in relation to the subject of credits, to amend business customs, whereby commercial interests may



Director

LEE M. HUTCHINS

Hazeltine, Perkins Drug Co., Grand Rapids, Mich.

be benefited and the welfare of all may be advanced; to encourage the establishment of local adjustment, prosecution and other bureaus, and to perform such other kindred lines of work as the members of this Association may determine upon in the manner hereinafter described.

ARTICLE III.

MEMBERSHIP.

Sec. 1. (a) The membership of this Association shall consist of credit men representing firms, corporations or individuals engaged in any legitimate line of business where credits are given, and members of associations of credit men hereinafter referred to as affiliated associations.

(b)—Membership shall be divided into two classes, viz.: Organized and Individual.

Sec. 2. (a) Organized membership shall consist of those who are members of affiliated associations.

(b)—Any affiliated association more than sixty days in arrears of dues to this Organization shall be reported by the Secretary to the Board of Directors for such action as it may deem proper, and may be dropped from membership by said Board.

(c)—Upon the payment of dues by an association as herein provided there shall be issued to such association a certificate, signed by the President, the Secretary and the Treasurer under the seal of the Association, setting forth that said association is an affiliated association or branch of the National Association of Credit Men and accepts such certificate subject to the Constitution and By-Laws of the National Association of Credit Men. No association shall withdraw from the National Association of Credit Men during the year for which the dues are paid, except by the consent of the Board of Directors of the National Association of Credit Men.

Sec. 3. (a)—Individual membership shall consist of credit men representing individuals, firms or corporations, as hereinbefore provided, who may join the Association directly.

(b)—All applications for membership must be made to the Secretary in writing, and shall by him be referred to the Membership Committee, whose action shall be final.

(c)—Any individual member more than sixty days in arrears of dues shall cease to be a member of this Association, provided he has been notified at least twice by the Secretary of the non-payment of dues.

Sec. 4. Any officer, member or affiliated association may be suspended, expelled or otherwise disciplined for cause, provided such officer, member or affiliated association has been served with a written notice of the charges preferred against him or it at least fifteen days before a hearing thereon. Such hearing shall be before the Board of Directors and such officer, member or affiliated association shall have the right to be heard thereon. The action of such Board of Directors shall be final.

ARTICLE IV.

ANNUAL DUES.

The annual dues shall be as follows:

Sec. 1. For organized membership, \$3.50 for every member on the roll of an affiliated association, which shall be paid annually, in advance; fifty cents of the amount so paid to be tendered to and accepted by the Association as the subscription price, per annum, for each member, to the MONTHLY BULLETIN of the National Association of Credit Men.

Sec. 2. For individual membership, \$10, payable annually, in advance; fifty cents of the amount so paid to be tendered to and accepted by the Association as the subscription price, per annum, for each member to the MONTHLY BULLETIN of the National Association of Credit Men.

ARTICLE V.

ANNUAL MEETING.

No annual meeting of the Association shall be held, but in the place and stead thereof an annual convention shall be held, which convention shall have and exercise all the powers of an annual meeting. The time and place of holding such annual convention shall be decided upon by the Board of Directors.

ARTICLE VI.

REPRESENTATION.

Each affiliated association shall be entitled in annual convention to one delegate for every fifteen members or fraction thereof. Each delegate shall at an annual convention be entitled to poll one vote for each member he may represent. Any delegate present at an annual convention may also be designated by the association he represents to act as alternate for one or more delegates from the same association not attending such annual convention, and when so designated, such delegate in addition to his vote as delegate, shall have the right to vote as alternate for such non-attending delegates. Each individual member present at an annual convention shall be entitled to one vote, provided he is not a delegate of a local association.

Individual members not present, shall be entitled to vote by proxy; provided, however, that the holder and giver of the proxy shall be residents of the same State.

No salaried officer or employee of the Association shall have the right to hold a proxy.

ARTICLE VII.

OFFICERS.

The officers of the Association shall consist of a President, a 1st Vice-President, a 2d Vice-President, a Treasurer, a Secretary and a Board of Directors, consisting of fourteen members and the President, 1st Vice-President, 2d Vice-President, the Treasurer and the Secretary, by virtue of their offices.

The President shall be Chairman of the Board of Directors.

At the annual convention in 1907 there shall be seven Directors elected, four of whom shall be elected for the period of one year, and three of whom shall be elected for the period of two years, and thereafter, in each year, there shall be elected seven Directors whose terms of office shall be two years.

The terms of office of all other officers shall be one year, or until their successors shall be elected, and all officers shall serve without compensation, except the Secretary, whose salary shall be fixed by the Board of Directors.

ARTICLE VIII.

MANNER OF ELECTIONS.

The President and the Vice-Presidents shall be elected by ballot at each annual convention, in the following manner:

After nominating speeches have been made, the convention will proceed to ballot for said officers for the ensuing year separately, and

the nominees receiving the highest number of votes for the respective offices shall be declared elected.

The Board of Directors shall be elected in annual convention, in the following manner:

At the first session of the convention a nominating committee of ten shall be appointed by the President, who shall receive and present to the convention the names of candidates for the Board of Directors. A ballot shall be taken and the three candidates receiving the highest number of votes shall be declared elected for a period of two years; and the four receiving the next highest number of votes shall be elected for a period of one year, to fill the existing vacancies. No affiliated association shall be entitled to more than one representative on the said Board.

The Secretary and the Treasurer shall be elected by the Board of Directors. The offices of Secretary and Treasurer may be filled by one person.

ARTICLE IX.

ORDER OF BUSINESS AT CONVENTIONS.

The following order of business shall be observed at conventions:

1. Report of the President.
2. Report of the Treasurer.
3. Report of the Secretary.
4. Appointment of Committees.
 - a. Resolutions.
 - b. Auditing.
 - c. Credentials.
 - d. Nominations.
5. Announcement of Chairmen of State Delegations.
6. Reports of Standing Committees.
7. Reports of Special Committees.
8. Elections.
9. Unfinished Business.
10. Miscellaneous Business.

ARTICLE X.

STANDING COMMITTEES.

The standing committees shall be:

- A. Legislative.
- B. Bankruptcy.
- C. Adjustment Bureau.
- D. Membership.
- E. Mercantile Agency and Credit Coöperation.
- F. Business Literature.
- G. Credit Department Methods.
- H. Investigation and Prosecution.
- J. Fire Insurance.

The committees shall be appointed by the President as soon as possible after the annual convention, subject to the approval of the Board of Directors.

ARTICLE XI.

QUORUM.

The constitutional quorum shall consist of one hundred members or delegates present and qualified to vote.

The quorum for the Board of Directors shall be nine.

ARTICLE XII.

MANAGEMENT.

The management of this Association shall be vested in the Board of Directors, and the appropriation of all moneys for the necessary expenses of the Association shall be made by that Board.

ARTICLE XIII.

CENTRAL OFFICE.

The central office of the Association may be located in such city as the Board of Directors shall decide.

ARTICLE XIV.

AMENDMENTS.

Alterations, additions or amendments to the Constitution or By-Laws of this Association shall be made only at a regular convention thereof, and by a two-thirds vote of the members represented thereat. No proposition to alter, add or amend shall be acted upon unless written or printed notice thereof has been given to the Secretary at least thirty days prior to the holding of the convention at which the same is to be submitted for action. A copy of any such proposition shall be embodied in the call for the next regular convention and published in the MONTHLY BULLETIN before the date of such next regular convention at which the proposition is to be acted upon.

BY-LAWS.

ARTICLE I.

PRESIDENT.

Sec. 1. The President shall preside at all conventions of the Association and meetings of the Board of Directors, and be the chief executive officer, exercising a general supervision over the interests and the welfare of the Association. He shall call special meetings of the Board of Directors at his discretion or upon the written request of three members, and special conventions of the Association upon the written request of three hundred members.

Sec. 2. The Vice-Presidents, in the absence of the President, shall, in their order, perform the duties of and have the same authority as the President.

Sec. 3. In the absence of the President and Vice-Presidents a President pro tempore shall be elected by ballot from the Board of Directors.

ARTICLE II.

SECRETARY.

Sec. 1. The duties of the Secretary shall be such as may be assigned to him from time to time by the Board of Directors. He shall answer all correspondence, may sign all documents issued by the Association, shall keep the accounts, receive all moneys paid to the Association, and shall turn the same over to the Treasurer within thirty days, taking his receipt therefor, and shall make a report to the annual convention. He shall give bond for the faithful discharge of his duties, in a sum and with sureties as required by the Board of Directors.

ARTICLE III.

TREASURER.

Sec. 1. The Treasurer shall receive from the Secretary all funds paid in, and shall deposit the same in such banking institution as may be designated by the Board of Directors, and shall disburse the same by order of the said Board. His accounts and books shall at all times be open to the inspection of the Board of Directors and the President. He shall make a report to the Association annually, or oftener if required, and give bond for the faithful discharge of his duties in a sum and with sureties as required by the Board of Directors.

ARTICLE IV.

BOARD OF DIRECTORS.

The Board of Directors shall manage and control the business of the Association and all appropriations of its funds, but shall have no power to make the Association liable for any debt or debts to an amount which shall exceed the sum of cash in the hands of the Treasurer and not otherwise appropriated. The Board shall, as soon after the annual convention as possible, act upon the committee appointments made by the President, and may instruct the President to appoint such other committees as occasion may require and as may seem proper for the carrying out of the objects of the Association. The President shall, with the approval of the Board of Directors, have power to fill vacancies.

ARTICLE V.

STANDING COMMITTEES.

Sec. 1. The standing committees shall consider such matters as are pertinent to their specific objects, and shall suggest to the Board of Directors for approval such line of action as may be deemed wise. Each standing committee shall consist of five members, with the exception of the Legislative Committee.

Sec. 2. The Legislative Committee shall consist of one member from each affiliated association and one member from each State in which there is no such association.

ARTICLE VI.

ASSOCIATION PROPERTY.

All officers and chairmen of committees shall report, in writing, at the annual convention of the Association. All books, documents, reports of officers and reports of chairmen of committees shall be the property of the Association.

ARTICLE VII.

These By-Laws may be amended as provided for in Article XIV of the Constitution.

F. S. Evans, of Philadelphia—At the commencement of the first article, when we put up for consideration the adoption of the Constitution and By-Laws, the gentleman from Salt Lake raised a certain very important question. At that time he was distinctly out of order, but I think it is a question of a great deal of importance, and that this is the time that he would be in order.

Mr. Peter—I now make a motion to reconsider and to lay that motion on the table.



Director
C. D. MACLAREN
Farwell, Ozmun, Kirk & Co., St. Paul, Minn.

Mr. Risque—How can he move to reconsider and also move to lay on the table?

President Fessenden—Under the rules of order as given by Roberts, I think he has the right to do so.

President Fessenden—The motion to reconsider and lay that motion on the table is before you.

J. Q. Critchlow, of Salt Lake City—What is the motion?

President Fessenden—To reconsider the action of the convention in adopting the Constitution and the By-Laws as a whole, and to lay it on the table.

Motion put and lost.

Mr. Critchlow—I want to know what there is before the house.

President Fessenden—There is nothing before the house. Mr. Evans, of Philadelphia, suggested that if the gentleman from Salt Lake desired to make a motion as to what time the amended Constitution takes effect, he could do so and talk to his motion.

F. H. Suffel, of St. Paul—I move that the Constitution and By-Laws as adopted by this convention shall become operative at once, and that the proceedings of this convention shall be under that Constitution and By-Laws as adopted.

Motion seconded and unanimously carried.

The motion was made, seconded and unanimously carried that a vote of thanks be extended to the Committee on Revision of Constitution and By-Laws.

W. J. McMillan, of Chicago—The Chicago Association wants to emphasize the invitation of this morning to the reception tonight in the parlors of this hotel, at 8 o'clock. We particularly want you to bring your ladies. The ladies of the local association will be here, and we want them to meet each other. I also wish to repeat the invitation to the ladies to take an automobile ride and lunch tomorrow morning. The ladies should meet at 10 o'clock sharp on the sidewalk, at the entrance to the hotel.

Secretary Meek—Mr. Stockwell sends this notice: The registration bureau closes at 6 o'clock this evening, as the room is desired for supper purposes during the reception tonight. It will be open tomorrow morning at 9 o'clock.

I wish to repeat the announcement that I made upon the opening of this meeting, at the request of Mr. Ludlum, Chairman of the Committee on Adjustment Bureaus, that his committee, with the committees of the local bureaus and with the managers of the different bureaus, meet in this room immediately upon the adjournment of this session.

President Fessenden—The Chair begs to announce that he will name the nominating committee and other committees, tomorrow morning.

An adjournment was thereupon taken until the next day, Thursday, June 13th, 1907, 10 A. M., at the same place.

SECOND DAY.

MORNING SESSION.

Thursday, June 13, 1907.

Convention was called to order by President Fessenden at 10.22 A. M.

President Fessenden—The Rev. Mr. Waters, of Grace Episcopal Church, of Chicago, will lead us in prayer.

The Rev. W. O. Waters—In the name of the Father and of the Son and of the Holy Ghost, Amen!

The eyes of all wait upon Thee, Oh Lord, and Thou givest them their meat in due season.

Thou openest Thine hand and fillest all things living with plenteous-favor, and further them with Thy continual help, that in all their works,

Most gracious God, we humbly beseech Thee for the people of these United States in general, its President, and all in authority, but especially for this convention of business men here and now assembled, grant that Thou mayest be pleased to direct and prosper all their consultations to the advancement of Thy glory, the good of Thy church, the safety, honor and welfare of Thy people; that all things may be so ordered and settled by their endeavors, upon the best and surest foundation, that peace and happiness, truth and justice, religion and piety, may be established among them for all generations.

Direct them, Oh Lord, in all their doings, with Thy most gracious favor, and further them with Thy continual help, that in all their works, begun, continued and ended in Thee, they may glorify Thy holy name, and finally by Thy mercy obtain everlasting life through Jesus Christ, our Lord.

The grace of our Lord and Saviour Jesus Christ, and the love of God and the fellowship of the Holy Ghost be with us all evermore, Amen.

President Fessenden—The Secretary has some communications to read. The convention will please listen. It is very difficult to hear in this hall, so that great quiet is necessary to make it easy for the Secretary—and the President. (Laughter).

Secretary Meek—I have no communications to read, but the following appointments of committees have been made by the President:

COMMITTEE ON RESOLUTIONS.

F. W. Risque, St. Louis, <i>Chairman</i> ,	L. D. Horner, Lynchburg,
C. R. Bernard, St. Joseph,	H. G. Moore, Kansas City,
H. C. Cornelius, Grand Rapids,	W. C. Mushet, Los Angeles,
H. E. Choate, Atlanta,	J. A. McKee, Philadelphia,
W. B. Cross, Duluth,	Philip Present, Rochester,
J. B. Campbell, Spokane,	J. H. Paddock, Toledo,
Willis Davis, Wichita,	D. L. Sawyer, St. Paul,
Paul De Haas, Portland,	J. H. Scales, Louisville,
C. S. Faxon, Memphis,	Charles B. Sawyer, Detroit,
B. Frank, Montgomery,	J. W. Spangler, Jr., Seattle,
H. E. Gardner, Ft. Worth,	Geo. K. Smith, New Orleans,
W. A. Given, Pittsburgh,	T. D. Turner, Oklahoma,
M. C. Harris, Richmond,	A. D. Thomas, Youngstown.

COMMITTEE ON NOMINATIONS.

W. B. Strong, Milwaukee, <i>Chairman</i> ,	W. J. McMillan, Chicago,
W. S. Armstrong, New York,	H. H. Nance, Nashville,
F. T. Day, Indianapolis,	Harry New, Cleveland,
S. J. Hay, Dallas,	Arthur Parsons, Salt Lake City,
W. A. Joyce, Buffalo,	M. Weil, Lincoln.

COMMITTEE ON CREDENTIALS.

C. E. Meek, New York, *Chairman*, Kenneth R. Taylor, Cleveland,
Charles L. Bird, Boston.

AUDITING COMMITTEE.

F. W. Standart, Denver, *Chairman*, F. H. Randel, Cleveland,
O. D. Maxwell, Baltimore.

I will call the roll by States and ask you to announce the name of the gentleman who has been chosen to act as the chairman of the State delegation.

Alabama—Bernard Frank, Montgomery,
California—W. C. Mushet, Los Angeles,
Colorado—Charles Bayly, Denver,
Georgia—R. H. White, Atlanta,
Illinois—F. H. McAdow, Chicago,
Indiana—Geo. B. Pulfer, South Bend,
Iowa—D. M. Douglass, Des Moines,
Kansas—Tipton Cox, Wichita,
Kentucky—J. H. Scales, Louisville,
Louisiana—George K. Smith, New Orleans,
Maryland—C. W. Linthicum, Baltimore,
Massachusetts—Geo. H. Graves, Boston,
Michigan—Charles B. Sawyer, Detroit,
Minnesota—H. A. Boardman, St. Paul,
Missouri—H. G. Moore, Kansas City,
Nebraska—J. D. Lau, Lincoln,
New Jersey—Charles H. Sansom, New Brunswick,
New York—A. H. Burt, Buffalo,
Ohio—Harry New, Cleveland,
Oklahoma—J. E. O'Neil, Oklahoma City,
Oregon—Paul De Haas, Portland,
Pennsylvania—J. A. McKee, Philadelphia,
Rhode Island—Howard Slade, Providence,
Tennessee—Charles S. Faxon, Memphis,
Texas—S. J. Hay, Dallas,
Utah—Arthur Parsons, Salt Lake City,
Virginia—Benjamin T. Crump, Richmond,
Washington—J. W. Spangler, Jr., Seattle,
Wisconsin—Richard J. Morawetz, Milwaukee.

President Fessenden—The next order of business on the program is an address by Mr. Yale, of Kansas City, which I am sure will be of great interest and benefit.

THE DANGERS OF INDIVIDUALISM.

ADDRESS BY FRANK W. YALE, SECRETARY OF KANSAS CITY ASSOCIATION
OF CREDIT MEN.

In approaching the subject selected for my discussion with you today, I do so with the consciousness that a theory, unless founded on fact and substantiated by experience, will neither win converts nor confirm convictions; therefore, I come not as a theorist to discuss an abstract proposition, but rather to consider facts, conditions that actually exist, to analyze them and present them for your thought, with the earnest hope that some may be benefited thereby.

For a number of years this country has been unprecedentedly prosperous. Our attention has been directed by the press, by magazine articles and by public utterances, to the phenomenal, almost inconceivable growth and development of large institutions, to the

tremendous accumulation of wealth by big concerns, and also to the intricate maze of operations by which their material success has been attained. Their wonderful achievements created envy in the breasts of many, but in the minds of not a few, excited suspicion.

The tongue of rumor wagged feebly at first, but with increasing power until its full tones sounded ominously throughout the land, and its echo is not yet silent. The people, that voice which commands an answer, spoke first. The legislative bodies next took up the word, and then the judiciary, armed with the authority legislation gave, took an active part. Commissions were created for purposes of investigation and the machinery of the law set in motion.

For some months we have as a people been astounded and ashamed, and as individuals incensed, at the revelations resulting from such research and examination. They revealed that institutions organized ostensibly for beneficial and noble purposes have been conducted for individual profit, that quasi-public corporations have been juggled and tossed hither and thither by those in positions of trust, that high offices have been prostituted for personal gain regardless of whose purse was rifled, and monopolistic corporations have scornfully laughed at their critics and defied the law; but gradually and inevitably, the slow but sure foot-pace of the law has outstripped their race, until now the blind goddess, whose balances are unfailing, is gathering them in her scales.

We now witness names once no less high in honor than in achievement besmirched, their records tarnished, their characters exposed. In one day the press dispatches in parallel columns named one who, charged with misleading and deceiving the general public on a gigantic scale, must now retrace his steps and undo what he and his associates have done, one who plead guilty to extortion and bribery in municipal affairs, and one surrendered to the custody of a sheriff from a sister State on a requisition, and of these, two are multi-millionaires. It is not long since one of the greatest in finance presented the pitiable spectacle of actually dodging the constabulary. Some once prominent are now in exile, some in jail, and others, crushed by the humiliation of exposure, are not now of this world.

These, gentlemen, are a prominent present-day type of the advocates of individualism. Is it not time to reflect? For out of reflection do we mould decision and determination, and only in the light of history do we see the finger that points our future course.

Now, gentlemen, the basic principle of society is associate action, not individualism. The essence that permeates it, the spirit that dominates it, the motive that impels it and the tie that cements it is co-operation. We are told that its "only true and natural foundations are the wants and fears of man," but there is also implanted in the breast of every man, and has been from time antedating remotest history, and no less active in the lowest tribal orders than in the most exalted state of civilization, exemplified in the family, the community, the nation and the universe, and without which man would drop below the level of the brute creation, an irresistible desire for companionship, for unity of interests and action. Human existence in isolation is unimaginable, and the prohibition of intercourse with one's fellows is the extremity of punishment. Social organization is, therefore, the natural and only rational condition of life.

But organized society, in order to maintain its stability, to be progressive and to advance civilization, must have the full and unrestrained support of all its members. Being composed of single indi-

viduals, and the least of them a part of the institution, each person must give of his time, talent and possessions, not meagerly or stingily, but justly and his full share; for civilization represents not only the result of man's contributions to society, and its high or low state of development, but marks the measure in which mankind has given.

Yet they are not gifts; they are exchanges with the profits all on the side of the individual, who not only receives proximate compensation, but also shares fully in the ultimate benefits resulting from the combined contributions of his fellows. The highest civilized state is where every man does his full part; the lowest, where every man is for himself.

The individual has of course certain rights which are entitled to respect from all others, but he has no greater rights than has every other individual which he in turn must also respect. The lives of men are so intermingled, their pursuits so intertwined and their interests so interwoven in the construction of our social fabric, that their respective interests constantly conflict, and in recognition of the principle that the rights of one must terminate where the rights of others begin, society lays down for its government certain "rules of conduct commanding what is right and prohibiting what is wrong," which apply to all men without favor. They are the result of generations of experience, have kept pace with human progress, and none are exempt from their operation.

But there are some men in whom self interest is so strong, whose conceit is so deep-seated, whose covetousness is so ingrained that they are unwilling to accept the decrees of society or conform to its requirements; who are keen to demand that all other men obey the law and perform the duties of citizenship which they themselves evade, who desire that the integrity of society shall be maintained, but at the sole expense of their fellow men, whose contributions to society are extracted from them, not yielded as a duty, and even then given in short measure, whose successes are the product of the wrongs others have suffered at their hands, whose code of morals is to escape detection, who for years, and until even-handed justice asserts itself, take from society more than their just share; social parasites—individualists. We are prone to charge corporations with iniquities. Instead of so doing, we should charge individuals therewith; for a corporation has of itself no personality, is inert, without volition and is powerless until some individual does some thing in its name, so that in fact, acts of a corporation are but the acts of one or more persons. The reason however, that financial crimes are bolder and more numerous in the guise of corporations than in the name of persons, is because the person in his individual capacity would not dare do those things which might bring down upon his head the opprobrium, on his name the infamy, and on his body the well-merited punishment that he expects to escape by operating in an official capacity, thus shielding himself behind the impersonal thing, which he believes great enough to withstand, or armored strong enough to deflect whatever attacks may follow. Their legal departments are maintained, not for the sole purpose of guiding their officers in the paths of right or protecting the institution from wrong, but rather to discover or invent ways and means to evade, to transcend, to defeat the law which by virtue of their citizenship they are sworn to obey and uphold. This disregard for moral right and contempt for law is one marked phase of individualism, and all violation of law, crime if you please, can be traced to the operation of that doctrine; because every wrong committed is an infringement upon the rights of another by one who conceives his rights to be limited only by his power, and the only perceptible difference between these more refined offenders and the coarser criminal is one of degree and not of kind, both being, under the law, its violators.

The time is indeed opportune for the attention of men to be directed to the dangers of individualism. Although we are a nation wherein the spirit of coöperation pervades its entire political, commercial and social life, and which is the greatest advocate of equal rights to all, our national desire to avoid any infringement upon the rights or liberty of any citizen has restrained the enactment or the vigorous application of restrictive laws, and has permitted license to go unchallenged; as a consequence, aside from crimes of finance, we find today, according to comparative statistics published in a recent periodical of wide circulation, that homicides, that brutal exhibition of the theory that might makes right, are in this country more numerous many times over, in proportion to our population, than are those of any other civilized country, and this condition is by the writer in question charged directly to that individualism which breaks down personal character, gnaws as a canker at the roots of society, and furnishes fuel for the flames of revolution.

Now gentlemen, all organizations, societies and associations are founded on the same principles that govern society. There is the same spirit of coöperation, the same necessity for each individual member surrendering somewhat of himself that he may share in the enjoyment of general benefits, the same requirements for the performance of duty, the same recognition of individual rights and the same fact, that independent of its being morally right, it is materially expedient; but these minor organizations have no power to enforce their laws, and their permanency and value depend upon individual conception of duty and individual willingness to do it. Their theory is opposed to that of individualism and their design is the concentration of force instead of its division. They aim to multiply talent and energy and not to divide it; to act along lines converging upon one point rather than along parallel lines which never come together. Among their membership we seldom find the individualist. He would be a disturbing element, and usually remains in the outer circle.

It was not so many years ago that credit men believed that independent and separate action in relation to their duties was essential to their success. They were close-mouthed, secretive, non-committal, and jealous of their information. It was presumed dangerous to have business friendships, and to have confidants, fatal. Their practical education was their own experience. They could not or did not draw from the experience of others. Their divided ranks and separated interests made it possible for fraud to operate in safety and debtors to go without an accounting and unpunished, and credit was indeed a cheap commodity.

It was a small coterie therefore, that was at first broad enough and large-minded enough to foresee the advantages of an association, and gradually as our objects have become understood and the results seen and felt, our ranks have been filling up. The annual reports of our officers and the items in our official publications have told us what the effect has been. Whereas in legislation the single voice carried no weight, the suggestions and requests of the association have commanded attention. Whereas credit information was once withheld, it is now freely and faithfully interchanged and no one has been harmed. Whereas the dishonest could once toy with their creditors in safety, many have received deserved punishment. Improved agency service, business systems, business forms and educational matters, all in their present state of excellence are due to our efforts as an association, and not least do we have to thank her for the feeling of fraternity prevailing among all credit men.

But there are still other fields for our coöperation. Let us consider

one particular direction in which our interests are divided and our forces scattered, and see the results that follow. For nearly nine years we have been operating under the Bankruptcy Law. It was a welcome change from the old way. We were largely responsible for its existence and would not now have it repealed. Its provisions appeal to our ideas of fairness, equity, right and economy. It endeavors to limit the expenses and fees of liquidation and to place the control of an estate within the hands of its creditors. What are its results? The Attorney-General's reports from September, 1901, to June 30, 1906, show that the net dividends to creditors from bankruptcies, both voluntary and involuntary, average $4\frac{1}{2}$ per cent. of the liabilities, and that the expense and fees for administration are 27 per cent. of the amount distributed. Separated as between voluntary and involuntary bankruptcies, which is proper because 47 per cent. of the voluntary bankrupts have no assets, we find that in voluntary bankruptcies alone the average dividends are 2 1-3 per cent. of the liabilities, increasing from $1\frac{1}{8}$ per cent. in 1902 to $3\frac{3}{4}$ per cent. in 1906, and that the fees and expenses of administration are 37 per cent. of the dividends paid, being 41 per cent. in 1902 and 36 per cent. in 1906. In involuntary bankruptcies the average dividends paid are 12 8-10 per cent. of the liabilities, dropping from 14 7-10 per cent. in 1902 to 11 per cent. in 1905, and increasing to $14\frac{1}{2}$ per cent. in 1906, and that the fees and expenses of administration are 21 2-3 per cent. of the amount distributed, increasing from 15 per cent. in 1902 to 23 per cent. in 1906, and this without taking into consideration the fees charged directly to creditors by the attorneys representing them. It is therefore safe to say that the average expense to creditors in involuntary bankruptcy proceedings is between 28 per cent. and 30 per cent. of the dividends paid and that net results to creditors are a fraction over 11 per cent. of the liabilities. And it is regretted that there is nothing in the statistics to reveal how the assets have been handled or what they invoiced, but they only show the amount realized therefrom.

These results are not what were expected when the law was passed and the query is, where lies the fault? Is it a question of use or of abuse? The responsibility cannot be charged to the law itself, for there are but few if any improvements or changes that have been suggested. It certainly is not the fault of the Courts of Bankruptcy, for their functions are purely judicial. They want, they ask in vain for the assistance and coöperation of creditors, whose indifference is so marked as to be regretfully mentioned in the Attorney-General's report. Is it the attorneys who represent creditors? They have but yielded to the encouragement that you have given them. Note, if you please, the gradual increase in the ratio of fees and expenses, which increase amounts to \$435,000 in 1906. Is it not true that the cause lies principally in the neglect or indifference of credit men themselves and the lack of concerted action? How often do they attend creditors' meetings? How often do they select their attorney with care or with knowledge of his capacity, or govern his actions after selection? How often is a creditor's name signed to an involuntary petition and to an application for a receiver and bond without his knowledge of the fact before or after, unless sued on the bond? Is it not the customary practice to accept without question any representation made by an attorney, whether known or unknown, and let him who first asks for it have the claim, with absolutely no positive information of the exact facts surrounding the case? Are not your forces divided in almost every instance so that no attorney, be he never so able, has sufficient incentive through representing large interests to give more than perfunctory attention to the affair? The carelessness and indif-

ference of the principal is the temptation and opportunity of his agent. The tremendous expense and fees occasioned by unnecessary receiverships, unnecessary attorneys for receivers, and unnecessary attorneys for trustees, are not regulated by statute, but are discretionary with the Court, and are made possible, yes, invited by creditors' negligence. In the majority of bankruptcy cases a lawyer is the trustee and there is placed in his hands the liquidation of an estate for which he may not be qualified either by education or experience; a purely mercantile matter in strictly professional hands, and for the reason that creditors seem to make no effort to select as trustee one qualified by experience for the duties required.

What is the remedy? Control yourselves those affairs wherein your money is in jeopardy. Unite your forces and instruct your representative attorneys instead of being subservient to them. Use the courts of bankruptcy when they can enhance a situation and not when they serve but to increase expense and depreciate the net returns from an estate.

In an effort to serve its members to the fullest extent this Association has established in many cities Adjustment Bureaus, designed for the purpose of putting into practical and actual effect the principles of the Bankruptcy Law, both in relation to the liquidation of estates and to economy in handling them, and also to aid the Bankruptcy Courts and attorneys in accomplishing these purposes. Their aim and sole object is to obtain and conserve assets and pay the creditors the largest possible amount out of them, and instead of fees being the primary, they are the secondary consideration. They are owned and controlled by credit men, and wherever possible, the realization upon assets is also controlled or directed by the men whose money is at stake and who have expert knowledge of values as well as trade experience. They are the place where the claims of creditors in every insolvency may be concentrated without fear of favoritism, or needless litigation. The reports of their work when in control of an estate, show results in such marked contrast to the pitiful average returns from neglected bankruptcy cases as to be almost beyond belief.

The loss in your department does not depend so much upon the rights between debtors and creditors or between creditors as to each other as upon the assets, the only thing that is left, and the wisdom of their handling, as well as upon the expense of a liquidation. Where the rights of the parties are in doubt, or fraud is apparent, the best attorneys available are the ones desired, and when there is occasion for judicial determination, the Bankruptcy Court is the only place where all conflicting rights can be adjudicated and full justice administered; but how many thousands and thousands of dollars are daily wasted in multiplying needless offices, and in chasing the bugbear's "illegal preferences," "illegal claims" and "suspicious circumstances" upon some ill-advised recommendation without one dollar of benefit accruing to any one creditor? Remember that bankruptcy is the simplest form of legal practice today, and is for that reason inviting. In a large number of cases after proceedings are commenced and the foundation for fees laid, the entire responsibility for the outcome is thrown upon the court and the trustee without any assistance being received from the creditors interested. When the mill starts grinding something is bound to come out whether given any further attention or not. Hence the 11 per cent., the average dividend and the 28 per cent. or 30 per cent. expenses and fees creditors accept without apparent concern.

But apart from our negligently scattered forces in insolvency cases, a most potent factor and one largely responsible for the shrinkage in

dividends and increased expenses is the individualistic credit man; he who arrogates to himself superior wisdom or intelligence or ability, and pursues an independent course and declines to cooperate with general creditors; who considers his claim for some unfathomable reason entitled to consideration above the general claims; who perhaps, follows a set rule as unchangeable as the laws of the Medes and Persians and in this day and age quite as obsolete; who obstructs rather than assists; whose conduct clogs the wheels but does not lubricate them; whose attitude is usually positive only in that it is contrary; who in furtherance of a fixed principle loses dollars to save cents, and in losing the dollar causes the loss of hundreds to other creditors; who adds to the difficulty of adjustment but makes no task easier, and who receives and accepts as his right the fruits of the labors of other creditors without contributing one iota of time, talent or money to the result.

Gentlemen, this is not a digression. It is illustrative of the inevitable results of inharmonious and disconnected action. It is an argument for cooperation tending in the one particular direction in which the immediate effect will be the reduction of your losses and the enhancement of your bank account. Drop the practice of individualism in this and in all things. It is the disturbing element, the disorganizer, the destroyer. Families, societies, communities, nations suffer from it. It does not build up, it demolishes and wrecks not only the structure attacked but crushes him who undermines it as well. Wherever it has flourished governments have crumbled, dynasties have fallen and individuals have suffered. Under its sovereignty neither your Association nor any can live. Therefore let it not take root. Water it not, nor let the sunlight of encouragement warm it, but let us avoid it as an unclean, dangerous thing, and embrace instead as our motto and as our unvarying rule of conduct, is antithesis—Coöperation. (Great applause.)

Thomas P. Robbins, of Cleveland, Vice-President, took the chair.

A. H. Burt, of Buffalo—I have been asking, since I have been at this convention, of what particular benefit are these conventions? I say to you, that these conventions are of inestimable benefit. The road we are traveling is short at the longest, and let us make it as wide as we can. Such an address as we have listened to this morning, helps to widen that road, and I move you, sir, that a vote of thanks be tendered to Mr. Yale for the very interesting and instructive address that he has given us this morning, and that the same be spread on the records of this convention.

W. A. Given, of Pittsburgh—I would like to amend Mr. Burt's motion, by adding that this address be published, and be distributed among the members of this association at large.

Seconded by Mr. Ludlum.

Mr. Burt—I accept the amendment.

Seconded.

Vice-President Robbins—You have heard the motion duly amended and seconded.

Unanimously carried and so ordered.

Vice-President Robbins—The next order of business is the report of the Legislative Committee.

Howard Marshall, of New York—Before the presentation of that report I desire to draw the attention of the Chair to what seems to me an important omission. I do not find that the rules governing this convention have been printed as usual, and I believe they were not ready yesterday as provided in the program. I therefore suggest that

before we can proceed intelligently to the consideration of these various reports, the rules governing the convention, should be presented.

Vice-President Robbins—I think the point is well taken, and I will ask the Secretary to read the rules.

Secretary Meek—I might say in explanation that the rules were made up under the amended Constitution, anticipating that you might make changes in the report submitted by the committee, which accounts for their not being printed.

The rules are as follows:

"Those addressing the Chair shall, upon rising, announce their name and address.

"The Chairman of a Committee, the maker of a motion, or the proposer of a resolution shall be allowed five minutes in which to present his views. All other discussion on questions coming before the convention will be limited to three minutes for each speaker except by unanimous consent of the convention. No one will be permitted to speak more than once upon any subject except by unanimous consent of the convention or to correct a misinterpretation of his remarks.

"The Chairman of a Committee will have the privilege of closing the debate on all resolutions submitted by his committee.

"Each delegate representing a local association and bearing proper credentials shall be entitled to vote on any motion or resolution coming before the convention.

"Each individual member in good standing shall be entitled to vote on any motion or resolution coming before the convention except when such member is a delegate representing a local association or as a member of a local association is represented through its regularly appointed delegates.

"Individual members not attending shall be entitled to a vote in the convention by proxy except as herein provided.

"The President shall appoint committees on credentials, nominations, resolutions and auditing as provided for by the Constitution and By-Laws.

"A motion to refer to a committee shall be put at once without further debate.

"All resolutions except those offered by the various committees in connection with their reports and such others as shall be offered at the time of the discussion upon the report of any committee and particularly referring to the work of such committee shall be referred without debate to the committee on resolutions.

"Election of officers shall be by ballot in the following manner: After nominating speeches have been made, the convention will proceed to ballot, and the nominee receiving the highest number of votes will be declared elected.

"The regular program of the convention shall be followed and the time allotted in the program for the consideration of given topics shall be observed."

Vice-President Robbins—We will now proceed to the report of the Legislative Committee, B. G. Watson, Chairman. (Great applause.)

Mr. Watson read the report which was as follows:

Report of the Legislative Committee.

To the Officers and Members of the National Association of Credit Men.
GENTLEMEN:

Your Legislative Committee appointed subsequent to the last convention held at Baltimore, submits for your consideration a re-

port covering legislative matters in which this association has taken an active part either by the introduction of measures or by using its influence for or against the enactment of measures before legislative bodies. Our report also treats of legislation, not directly influenced by this association, but which affects the interest of its members. Your committee further submits such suggestions and recommendations as its experience gained during the past year has indicated will be helpful.

Prefacing a detailed report of the work, your committee calls your attention to the fact that the Legislatures of thirty-eight States have been in session during the past year, and in practically every State there has been some matter requiring the attention of your members. The care of the largest interests of this association in so many States, has prevented your committee from centralizing its work and from concentrating its efforts upon certain sections as it would have been glad to do, to the end that more favorable results might have been obtained.

In order to facilitate the work of your committee, the National Secretary, at the beginning of the legislative year, arranged with a legislative reporting agency, so that immediately upon the introduction of a measure affecting your interest in any State throughout the United States, or upon any subsequent action relating thereto, report was made to your committee and in turn by your committee to the various associations affected. This service has been most helpful to your committee and has enabled it to take prompt action in many instances upon legislation, not only that favorably affecting your interests, but other measures which, if passed, would have proven very detrimental. The reports have also very greatly increased the work of your committee because through them every State came under its supervision.

At the Baltimore Convention, the following resolution was unanimously adopted:

"RESOLVED, That the National Association of Credit Men reaffirms its belief in the necessity, efficacy and constitutionality of the Uniform Bulk Law, and requests its members to continue the advocacy of the law in States where it has not been enacted, and to be active in its application in all cases coming under its provisions and diligent in its defense whenever attacked."

We wish to report that the members of your association have been most energetic and faithful in carrying out the provisions of this resolution, as indicated by a summary of the work accomplished. During the past year, in the States of Florida, Montana, Nebraska, Nevada, New Jersey, New York, North Carolina, North Dakota and Vermont laws regulating the sale of stocks of goods in bulk have been placed upon the statute books. In the States of Alabama, Indiana, Iowa, Kansas, Maine, Minnesota, Missouri, New Hampshire, Rhode Island, South Dakota, Tennessee, Texas, West Virginia, and Wisconsin similar bills were introduced, but either failed to pass, were vetoed by the Governor, were not reached in time for passage, or were so mutilated by amendments as to make your committee believe they should be withdrawn. In Illinois and Michigan, bills were introduced to repeal the bulk sales law passed at some former session, but in both cases the bills failed to pass. In the States of Michigan, Minnesota, Connecticut and Pennsylvania by the decision of the Supreme Court of each State, the law of the respective States has been held constitutional.

Summarizing the result of the year's work relative to the bulk sales law, your committee reports that such a law is now in effect in the following States: California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Montana, Nebraska,



Chairman Legislative Committee

BENSON G. WATSON

Watson, Stouffer, Davis & Headley, Columbus, O.

Nevada, New Jersey, New York, North Carolina, North Dakota, Oregon, Pennsylvania, South Carolina, Tennessee, Utah, Vermont, Virginia, Washington, Wisconsin, the Territory of Oklahoma and the District of Columbia.

While the number of the failures to secure the passage of the bulk sales law was greater than the number of the successes, your committee believes that the earnest and persistent work done by your members in the various States will bear fruit at the coming sessions of the Legislatures, and, that, all in all, the result of the year's efforts in this direction is most gratifying.

Your committee offers the following resolution:

"RESOLVED, That the National Association of Credit Men reaffirms its belief in the necessity, efficacy and constitutionality of the Uniform Bulk Law, and requests its members to continue the advocacy of the law in States where it has not been enacted, and to be active in its application in all cases coming under its provisions and diligent in its defence whenever attacked."

The following resolution was also adopted at the last convention:

"RESOLVED, That the National Office be instructed to print a new edition of a pamphlet to contain such Bulk Laws as have been enacted by Congress or the Legislatures of the various States; also all important judicial decisions on same."

Your committee reports that the Secretary-Treasurer, in accordance with this resolution, has issued a new edition of the pamphlet entitled: "Laws Regulating the Sale of Stocks of Goods in Bulk," of sufficient number to provide for the needs of the coming year. Inasmuch as several States have succeeded in passing laws on this subject during the present year, and some Supreme Court and lower court decisions have been rendered affecting the interpretation of the law in the various States, your committee offers the following resolution:

"RESOLVED, That the National Office be instructed to publish, from time to time, the Sales in Bulk Law, and decisions relating thereto, in the BULLETIN, and at its earliest convenience compile the same in a supplement, to be distributed to members, upon request, with the pamphlet on the same subject."

The subject of Conditional Sales has been more or less discussed in the past two years, and at our last convention the following resolution was adopted:

"RESOLVED, That the National Secretary-Treasurer be, and he is hereby instructed to prepare a form of bill covering the law of Conditional Sales and the recording of same, and send a copy to each local association, that it may be discussed by them to the end that a general improvement in existing laws may be secured."

Referring to the subject covered by this resolution, your committee reports that with a view to carrying out the provisions of the resolution, a compilation of the Conditional Sales Laws of the various States was made. When this was completed, your committee found such a great variety of laws relating to Conditional Sales, already in existence in the various States, and so wide a difference in the laws which relate to commercial transactions, sales, chattel mortgages, and the filing of the same, of the States in which no Conditional Sales Acts have been passed, that the conclusion was reached that a uniform law throughout all the States as contemplated by the resolution, could never be even approximated, much less secured.

Your committee has therefore prepared the following measure, embodying what it believes to be the essentials which should be contained in such a measure, but which may be modified to suit the particular local conditions in the various States in which it is desired to introduce it:

Section I. Every contract, lease or agreement, whereby any personal property is sold, leased, rented, hired or delivered to another, the title to which is to remain in said seller, lessor, renter, hirer, or deliverer until the performance of any condition or until payment of the whole or any part of the consideration therefor, shall, as to such condition regarding the title as aforesaid, be void as to subsequent purchasers, mortgagees in good faith and creditors, unless such condition shall be evidenced by writing, signed by the purchaser, lessee, renter, hirer or receiver of the same, with a statement thereon of the amount of the claim, under the oath of the person so selling, leasing, hiring, renting or delivering, his agent or attorney, and said writing and affidavit, or a true copy thereof, with an affidavit that the same is a true copy, deposited with the county recorder of the county where the person signing the instrument resides at the time of the execution thereof, if a resident of the State, and if not such resident, then with the county recorder of the county in which such property so sold, leased, rented, hired or delivered is situated at the time of the execution of the instrument.

Section II. Upon receiving any such instrument, the county recorder shall proceed to file, index and number the same in a book separately kept for the purpose of containing the record of such conditional sales, and shall receive therefor, a fee of ——— cents.

Section III. All such sales, contracts or leases, so filed as aforesaid, shall cease to be valid against a purchaser in good faith or judgment or attaching creditors without notice, at the expiration of one year from the date of such contract, unless the vendor, lessor, hirer or deliverer shall, within thirty (30) days prior to end of one year from the date of such sale or transfer, file an affidavit similar to the one above provided for, in the office of the county recorder as aforesaid, and the said vendor, lessor, hirer or deliverer may preserve the validity of his said sale or transfer of the personal property by an annual refile in the manner as aforesaid, of such original contract or a copy thereof, with affidavit as to amount due as aforesaid.

Section IV. Such sales, contracts or leases shall be satisfied by endorsement upon the instrument or upon the margin of the record by said lessor, renter, hirer or deliverer, acknowledging satisfaction of the same.

At present Conditional Sales Laws are in force in 28 States. The need of the law is very apparent and should have the earnest attention of our membership in States where no such law now exists.

The question of Exemptions has been fruitful of discussion and the inequalities and inequities contained therein are more apparent than in almost any other class of laws. Your committee has considered the advisability of compiling a form of law and list of exemptions, which would be equitable to both debtor and creditor, but after due deliberation reached the conclusion that an effort to do this was impracticable, so far as your committee is concerned. Local conditions, the nature and degree of development and permanency of the industries, the relative population, the regularity of the crops of the various localities so greatly affect the question of exemptions, that your committee felt it inadvisable even to attempt to formulate laws on the subject but recommended to

the National Office the advisability of issuing a pamphlet showing the Exemption Laws of the various States, the method of claiming, etc. The committee felt that such a pamphlet might be used as a guide in extending credit. This advice has been acted upon, and the matter was referred to the Business Literature Committee.

We therefore offer the following resolution:

"WHEREAS, the Exemption Laws in many States are inequitable, unjust, and of such a nature as to render the extension of credit unsafe therein and thus interfere with their commercial development.

"RESOLVED, That the Legislative Committees of the various associations in the States wherein such inequalities exist, be earnestly requested to use their efforts to secure proper and equitable exemption laws."

This subject has had considerable attention during the past year, bills affecting exemptions having been introduced in Connecticut, Delaware, Iowa, Minnesota, Nebraska, New York, North Dakota, Oregon, Tennessee, Utah, Washington, West Virginia, Wisconsin, and Wyoming. In Connecticut a bill was introduced to increase exemptions from \$1,000 to \$5,000; also a bill to increase the same to \$3,000. Both bills were defeated. In Nebraska a bill was passed reducing exemptions from \$500 to \$300. In Wyoming a new law made a reduction from \$1,000 to \$500.

In many States considerable loss has been incurred through dealing with persons doing business under fictitious names. Not infrequently these losses occurred in cases where a business was honestly conducted by substantial parties who innocently sold out to unreliable successors who continued under the old name. The successors were able to run up large indebtedness, because the jobbers believed that the former owners still conducted the business. To prevent such losses and to furnish a means whereby the responsibility of a customer might be secured, the National Association at its last convention passed the following resolution:

"RESOLVED, That the National Association of Credit Men recommends that steps be taken in the various States to secure the enactment of laws designed to regulate the carrying on of business under an assumed or fictitious name."

Complying with this resolution, your committee reports that laws requiring the names of parties in interest doing business under fictitious names, to be filed in some proper office of the county, have been introduced in the following States: Michigan, Missouri, Montana, Nevada, New York, Oregon, Pennsylvania, Tennessee, Texas, Utah and Washington. In Oregon the bill passed but was vetoed by the Governor. In Michigan, Missouri, Montana, and Washington the measure was passed. In the other States it either failed or is pending.

Realizing the importance of this legislation, we therefore reaffirm the action of the last convention and offer the following resolution:

"RESOLVED, That the National Association of Credit Men recommends that steps be taken in the various States to secure the enactment of laws designed to regulate the carrying on of business under an assumed or fictitious name."

One of the greatest causes of failures throughout the country, for some time past, has been the tendency of merchants to speculate in margins or futures. This tendency has been increased by the facilities offered through the establishment of the so-called "Brokerage Houses," better known as "Bucket Shops," in the smaller trade centers. This is true particularly through the South where dealing in cotton futures has taken the place of legitimate trade, always to the detriment and loss of the dealer. Your committee deemed it a matter of such importance as to urge the

chattel mortgages to be filed in the proper county office rather than the town or township office. In the State of Vermont a verbal chattel mortgage, by decision of the Supreme Court, has been held to be valid. We

membership throughout the United States, particularly in States where this practice is most common, to use their efforts in support of the passage of what is commonly known as the "Anti-Bucket Shop" Bill. Very largely through the initiative or support of your members, bills have been introduced, either to prohibit absolutely, or regulate strictly the operation of the bucket shop in the following States: Alabama, Arkansas, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Maine, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, Oregon, Pennsylvania, South Carolina, Tennessee, Texas and Utah. The matter was of such importance as to be mentioned in their messages by Governor Corner, of Alabama; Governor Guild, of Massachusetts; Governor Folk, of Missouri; Governor Ansel, of South Carolina; Governor Broward, of Florida; and Governor Cox, of Tennessee.

Provisions regulating bucket shops were introduced into the Constitution of Oklahoma. In New Hampshire and Tennessee the bill failed, and in Utah it was withdrawn. In the other States the bill was passed, and is now or will shortly become effective as permanent law therein. Your committee feels that this branch of its work during the present year will result in more direct good to its members and the community at large than any other work it has performed. Your committee offers the following:

"WHEREAS, in various parts of the country, sound business conditions have been disturbed and great losses incurred on account of wild speculations by merchants in futures and on margins in the so-called 'brokerage houses'; and

"WHEREAS, such conditions are inimical to permanent and safe business conditions; therefore be it

"RESOLVED, That we recommend that the members of the Credit Men's Associations throughout the United States lend their support to all measures seeking to restrict and eradicate this most dangerous form of public gambling and forever abolish the 'Bucket Shop.'"

The question of signed statements, commercial reports and statements contained therein, and representations made for the purpose of securing credit or disposing of the property or stock of a corporation has been of vast interest to the membership. To find a means of preventing a growing evil in this regard, and of punishing the offenders has been a very proper problem of this association for some time past. We report that a bill framed to meet these conditions has been introduced during the past year in the following States: Colorado, Connecticut, Delaware, Florida, Indiana, Iowa, Maine, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New York, Oregon, Pennsylvania, South Dakota, Utah, Washington, Wisconsin, Wyoming and the Territory of New Mexico. The bills were not uniform, although their general character and purpose was the same. The bills failed in passage in Oregon, Utah and Wyoming, and passed in the other States so far as your committee has been able to ascertain.

Believing that such legislation is beneficial to your association, we offer the following resolution and recommend its adoption:

"RESOLVED, That this association endorse laws intended to define the offense of making false representations for the purpose of securing credit, and to facilitate the prosecution and punishment of those violating the same and endeavor to secure the passage of such laws in the various States."

Prompt commercial agency service is facilitated by requirements which place at the command of the agency such matters of record as affect credit. Many States require that chattel mortgages be filed in the office of the town or township clerk. Recognizing the inability of agencies to secure information concerning the same from such a source, your committee has encouraged and supported legislation requiring

chattel mortgages to be filed in the proper county office rather than the town or township office. In the State of Vermont a verbal chattel mortgage, by decision of the Supreme Court, has been held to be valid. We succeeded in securing the passage of a measure in that State requiring chattel mortgages to be in writing.

During the past year we failed to secure the passage of such a measure in any of the States, although introduced into the legislatures of Michigan and New York. Bills affecting chattel mortgages were introduced into the legislatures of Alabama, California, Colorado, Florida, Indiana, Kansas, Michigan, Montana, Nebraska, New Mexico, New York, Oregon, South Carolina, South Dakota, Texas, Washington and Wisconsin. While this apparent agitation is in progress it would appear advisable to use our efforts toward securing the change we advocate in the place of record. We therefore offer the following:

"WHEREAS, Present business conditions require that the record of chattel mortgages, conditional sale contracts and like instruments be properly kept, easy of access and safely preserved; therefore be it

"RESOLVED, That this association favors and recommends the passage of laws requiring that chattel mortgages, conditional sale contracts and like instruments be filed in the office of the proper county official."

At our last convention the following resolution was adopted:

"RESOLVED, That the officers of the National Association of Credit Men be, and they are hereby instructed and empowered to pursue such course and take such action as to them seems wise or justifiable, in securing further legislation for the improvement of the Consular Service of the United States."

No active work along this line has come to the attention of your committee during the present year, for the reason that this session of Congress was short and strenuous. The committee has, however, endorsed a measure prepared by the National Business League relating to this subject, and recommended that the officers of the National Association of Credit Men be instructed to proceed in the support of the work outlined in the resolution above mentioned.

The subject of fire insurance has received consideration, attention and discussion. It is a matter always affecting credit risks, and while your committee has taken no active part in legislation along this line, we call your attention to the fact that bills creating fire marshal departments were passed in Kansas and Tennessee. In the States of California, Iowa, Tennessee, Texas, Utah, Wisconsin and the Territory of Wyoming measures were introduced relating to the form of policies, providing means of securing settlement, and in other ways affecting insurance conditions which are worthy of the investigation of all doing business in those States. In Alabama and Minnesota bills were introduced to prevent the use of co-insurance clauses in fire policies and in both cases were defeated. We refer to these matters as of importance to our members and worthy of their investigation.

Fire insurance is generally recognized as a permanent and necessary factor in safe business operations, and in order to maintain it at a high standard, it is necessary that the form of policy, its conditions and terms, be regulated by law. Inasmuch as so many mercantile concerns are selling goods in several or in all the States and the question of insurance affects the credit of practically everyone dealing extensively in goods subject to fire and water damage, we are of the opinion that there should be greater uniformity in the standard form of policy and in the governmental requirements. Therefore, we offer the following resolution:

"RESOLVED, That we recommend that our members and local associations be requested to keep informed concerning proposed legislation in the various States, relating to fire insurance, and use their efforts to the end that we secure the greatest possible uniformity in laws concerning the same."

The question of legitimate expenses in connection with legislative matters has received the attention of your committee to some extent, and without going into details your committee has the following recommendations to make:

First. That in those States in which there is more than one association, all legislative matters be handled by a joint committee of the associations, but under the immediate supervision and direction of one or more persons, having time to direct the same, and that the legitimate expenses be borne by all of the associations in the State pro rata as to membership.

Second. That no contributions for legislative expenses be made by members except through the National office or through the affiliated branches.

It is the judgment of your committee that associations should not attempt to secure the passage of more than one or two measures at any single session of the Legislature, but that their interest be centered on those measures which are of the most importance, and continued until successful before other measures are taken up, and that subsequent measures be treated the same way. While the present year has been very active and we feel that the efforts of the committee have not been in vain, and that the work accomplished has been meritorious, we think it proper to suggest that there is much to do, and that it is as important that our efforts be directed to prevent the passage of vicious legislation as to secure the passage of that which is favorable, and that we should not dissipate our efforts by devoting our attention to other than our own work.

During the present year the constitutional convention of Oklahoma has been in session, and the work of the convention has received the attention of your committee. Assistant Secretary F. J. Stockwell made a special visit to the capital of Oklahoma in our interests. Many matters affecting credit and commercial conditions were considered and all proper influences were brought to bear for the purpose of securing the most favorable credit conditions possible in the formation of the constitution. Special effort was directed to the securing of reasonable exemption laws and proper laws relating to sales. Much practical good will result from our work.

From several States announcements have been sent out to the effect that certain formalities must be complied with and fees paid before a foreign corporation would be permitted to transact business in those States. In most instances these obstacles to doing business in foreign States are more fancied than real, and the fees required are principally for the benefit of those sending the communications. In order that our members may not be unnecessarily annoyed, Secretary-Treasurer Meek has had prepared a brief of the law on the question, which may be secured by any of our members whose company is doing business in States other than that in which it is incorporated, or who, for any other reason, may be interested.

We have from time to time during the year been called upon to lend our efforts in support of measures introduced by other organizations. In all such instances we have limited our action to an endorsement and have not taken active steps in any matters except our own measures. The Commissioners on Uniform State Laws, through Mr. Guckenberger, Pres-

ident of the Cincinnati Association, have called to our attention two excellent measures which they are advocating, namely, acts to make uniform the Law of Sales and Warehouse Receipts. These measures have received our endorsement, and have been introduced in several States during the past year. At times in the past some of the measures asked for by our association were questioned by legislators and our requirements were looked upon as being selfishly in favor of the creditors. Such is not now the case, and in several instances during the past year we have been called upon by members of the legislatures in different States for opinions and suggestions relative to legislative matters affecting credits. This high standard and gratifying recognition has only been reached by persistent, honest, legitimate work, and can only be maintained by the continuance of such work. If our members would more thoroughly understand that the legislators are usually open to suggestions and are willing to consider them honestly, and would then make those suggestions and spend their time and use their efforts in securing their endorsement, great good could be accomplished for the entire membership of the Association. We believe it is the duty of every member who has the opportunity, to acquaint the members of the legislature representing his district with the character of our work, and to devote as much time as may be necessary in fully explaining the advantages of the varied measures which we have favored and are supporting.

Concluding, your committee desires to express its appreciation of and thanks for the courtesies shown to it, and particularly wishes to recognize the assistance rendered by our Secretary-Treasurer, Charles E. Meek, and by the officers of the various associations who have furnished us with valuable information, and your Chairman wishes to extend his personal thanks to his fellow-members of this committee and to the officers of the National Association of Credit Men for their uniform courtesies, their many expressions of confidence, their willing service, and their valuable assistance during the past year, all of which have greatly facilitated the Chairman of the Legislative Committee in the performance of a pleasant task.

Respectfully submitted,

B. G. WATSON, *Chairman.*

(Great applause.)

Chairman Robbins—You have heard the report of the committee. What shall be done with it?

F. R. Hamburger, of Detroit—I move that the report of the committee and recommendations and resolutions therein be received.

R. H. White, of Atlanta—I desire to introduce the following resolution,—“that the Board of Directors is hereby directed to appropriate the sum of \$2,000 of available funds now on hand, to use during 1907 and 1908 at the discretion of the Legislative Committee in aid and furtherance of legislation vital to the interests of the association in States where the membership does not exceed 200.”

It is in the weaker States that we need to be strengthened. Take Florida as an example. A year ago this association through Mr. Meek, appropriated the magnificent sum of \$75, to help to get a certain bill through in that State. The bill failed to pass, and during the session of the legislature this spring, Atlanta alone spent more than \$75. In trying to get any bill enacted it takes money, especially any bucket-shop bill, because you have the entire combination to work against. We had the experience last year in Atlanta—with the combination of the telegraph, the telephone, the warehouses and others against us.

A point of order was here raised.

Mr. White—I ask that my resolution be added to the report and embodied in it.

F. S. Evans, of Philadelphia—I understand that Mr. Hamburger's motion is to accept the report and adopt all the resolutions. Would it not be better to consider the resolutions separately?

Mr. Hamburger—They are only recommendations anyway.

Mr. Evans—The resolutions are to be adopted all together then, without discussion?

Vice-President Robbins—That is the motion.

Mr. Evans—I move to amend, that the resolutions be considered separately.

H. A. Boardman, of St. Paul—I would like to call attention to an error in this report. Am I in order? I would like to call attention to it before action is taken on its adoption.

Vice-President Robbins—I would first like to get the sense of the convention as to its action on the report.

An amendment to the motion has been offered by Mr. Evans, of Philadelphia, that the report be accepted and that action be taken separately on the different resolutions.

Seconded and carried.

Vice-President Robbins—I declare the amendment carried. The amended motion is now before you, all who are in favor, say aye.

Report unanimously accepted.

Vice-President Robbins—As I understand it, we are to consider the resolutions separately. I call your attention to the fact that on page 12 of the pamphlet you will find a resumé of the different resolutions.

Mr. Boardman—I rise to a point of order to correct the report. It is not under the head of the resolutions.

Near the bottom of the first page of the report it reads "In the States of Alabama, Indiana, Iowa, Kansas, Maine, Minnesota, Missouri, New Hampshire, Rhode Island, South Dakota, Tennessee, Texas, West Virginia and Wisconsin similar bills were introduced, but either failed to pass, were vetoed by the Governor, were not reached in time for passage, or were so mutilated by amendments as to make your committee believe they should be withdrawn."

I want to say that Minnesota was one of the first States to have a bulk sales law passed, and that law stands on the statute books now substantially as framed by our local association. The bill that this report refers to, was one introduced at a recent session of the legislature, by interests which were inimical to those of the Credit Men's Association, and the bill was never considered at all. So that Minnesota stands where she did originally, and is not among the doubtful States. (Great applause.)

H. H. Nance, of Nashville—I want to say that a bulk law was passed in Tennessee four years ago, and has stood the test of the Supreme Court. In this report it says that it came up and failed to pass.

Mr. Evans—It seems to me the gentlemen have not read the report very carefully. The report does not say anything about the fact that Minnesota does not have a bulk sales law. The report merely states that a bill failed to pass in the last session that was introduced during the year in which this committee was working. This committee did not go into a history of all the States that had laws previously in force.

I. A. Wile, of Rochester—I beg to state that the report of the committee is in error in their statement that the bulk sales law is in force in the State of New York. The law was enacted by the legislature, and signed by the Governor, and was in practical operation for some little

time, until a case in which action brought against a purchaser in violation of the law, reached our Court of Appeals, the court of last resort, where it was declared unconstitutional. There has since then, however, been an amendatory act submitted to the Legislature of the State of New York, which has been passed by the Legislature, and is now in the hands of the Governor of the State. That act eliminates the features of the previous law upon which the decision of the Court of Appeals was based, but for something over a year past—I think very nearly two years—the law has not been in operation in that State.

Mr. Watson, of Columbus—In regard to the Minnesota situation I do not understand that my report contains the statement the gentleman says is an error. I have mentioned the fact that there was a bill introduced in the State during the present year, which is true, and that you also had a bill passed previous to that which is still in force. (See the top of page 5 of printed report.)

Mr. Boardman—I only wanted to make it plain. I think that any one reading that page would have an erroneous impression as to the status of affairs. That was all, sir. I only wanted to make it plain, and to state further, that the report is correct. We have a Supreme Court decision sustaining the validity of the law. That is all I desire to say.

Mr. Watson—As to the statement made by the gentleman from Tennessee, I will state that Tennessee got in by error in the compilation, and was taken out of all the places where it was improperly inserted, except in this one, and it is simply an oversight in the final correction of the proof.

Vice-President Robbins—We will take up the resolutions. The Secretary will read the first resolution on page 12.

Secretary Meek—The first resolution is as follows:

1. "Resolved, That the National Association of Credit Men reaffirms its belief in the necessity, efficacy and constitutionality of the Uniform Bulk Law, and requests its members to continue the advocacy of the law in States where it has not been enacted, and to be active in its application in all cases coming under its provisions and diligent in its defense whenever attacked."

Max Silberberg, of Cincinnati—I move that the resolution be adopted.

Motion seconded and unanimously carried.

Vice-President Robbins—Resolution 1 is adopted. The Secretary will read Resolution 2.

H. D. Hudson, of Minneapolis—To save time I offer this suggestion, that the Secretary read these resolutions and time be given for any delegate to rise and speak to the resolution, if he so desires. Hearing no objection, the Secretary shall then proceed to read, and in that way we will save the time of putting a motion on every one of the resolutions. The most of the resolutions will, no doubt, be accepted just as drafted by the committee.

Vice-President Robbins—If it meets the approval of the convention, I would like to put the resolutions separately to avoid confusion. It won't take long. It is an important report.

Mr. Hudson—All right.

Secretary Meek—The second resolution is as follows:

2. "Resolved, That the National Office be instructed to publish from time to time, the Sales in Bulk Law, and decisions relating thereto, in the Bulletin, and at its earliest convenience compile the same in a supplement, to be distributed to members, upon request, with the pamphlet on the same subject."

Hugo Kanzler, of New York—I move to strike out the words “upon request” in the last line. I think this matter is of vital importance, and it should be handled in that way.

Motion seconded.

Motion carried and amendment adopted.

Vice-President Robbins—The amendment is adopted.

O. H. Perry, of Columbus—I move the adoption of the resolution as amended.

Motion seconded and unanimously carried.

Vice-President Robbins—The resolution as amended is adopted.

As amended it reads as follows:

2. “Resolved, That the National Office be instructed to publish from time to time, the Sales in Bulk Law, and decisions relating thereto, in the Bulletin, and at its earliest convenience compile the same in a supplement, to be distributed to members, with the pamphlet on the same subject.”

Vice-President Robbins—The Secretary will now read the third resolution.

Secretary Meek—Resolution 3 is as follows:

3. “Whereas, The Exemption Laws in many States are inequitable, unjust, and of such a nature as to render the extension of credit unsafe therein and thus interfere with their commercial development.

“Resolved, That the Legislative Committees of the various associations in the States wherein such inequalities exist, be earnestly requested to use their efforts to secure proper and equitable exemption laws.”

J. H. Kentnor, of St. Louis—I move that the resolution be adopted as read.

Motion seconded and unanimously carried.

Vice-President Robbins—Resolution 3 is adopted as read, and the Secretary will read Resolution 4.

Secretary Meek—Resolution 4 is as follows:

4. “Resolved, That the National Association of Credit Men recommends that steps be taken in the various States to secure the enactment of laws designed to regulate the carrying on of business under an assumed or fictitious name.”

Motion made by J. R. Cooke of St. Louis, seconded, and unanimously carried to adopt the resolution as read.

Vice-President Robbins—The resolution is adopted as read, and the Secretary will read resolution 5.

Secretary Meek—Resolution 5 is as follows:

5. “Whereas, in various parts of the country, sound business conditions have been disturbed and great losses incurred on account of wild speculations by merchants in futures and on margins in the so-called ‘brokerage houses’; and

“Whereas, such conditions are inimical to permanent and safe business conditions; therefore be it

“Resolved, That we recommend that the members of the Credit Men’s Associations throughout the United States lend their support to all the measures seeking to restrict and eradicate this most dangerous form of public gambling and forever abolish the ‘Bucket Shop.’”

George Guckenberger, of Cincinnati—I move that the resolution be adopted as read.

Motion seconded.

Philip Present, of Rochester—I believe that this should be tabled. I believe we are undertaking a very large enterprise in trying to drive

bucket shops out of the United States. We will never be able to accomplish it. I therefore move that this resolution be tabled.

F. H. Randel, of Cleveland—I second the motion, in order to discuss it.

Vice-President Robbins—The motion is out of order.

Withdrawn.

Second withdrawn.

Motion to adopt resolution as read, carried.

Vice-President Robbins—The resolution is adopted as read. The Secretary will read resolution 6.

Secretary Meek—Resolution 6 is as follows:

6. "Resolved, That this association endorse laws intended to define the offense of making false representations for the purpose of securing credit, and to facilitate the prosecution and punishment of those violating the same and endeavor to secure the passage of such laws in the various States."

B. E. Borges, of Chicago—I move that the resolution be adopted as read.

Motion seconded and unanimously carried.

Vice-President Robbins—The resolution is adopted as read. The Secretary will read resolution 7.

Secretary Meek—Resolution 7 is as follows:

7. "Whereas, present business conditions require that the record of chattel mortgages, conditional sale contracts and like instruments be properly kept, easy of access and safely preserved; therefore be it
"Resolved, That this association favors and recommends the passage of laws requiring that chattel mortgages, conditional sale contracts and like instruments be filed in the office of the proper county official."

A. J. Gaehr, of Cleveland—I move that the resolution be adopted as read.

Motion seconded and unanimously carried.

Lee M. Hutchins, of Grand Rapids—I was not recognized, and I move a reconsideration of that.

Vice-President Robbins—Is it vital?

Mr. Hutchins—Yes, it is vital. This is not a personal matter, but a matter at large, and I move to reconsider that vote.

Motion seconded.

Mr. Silberberg—I think it will be proper for the gentleman to state first why he wants that resolution reconsidered, and if it is a good reason we will vote for it, but what is the use of wasting time if the reason is not good.

Vice-President Robbins—We will listen to Mr. Hutchins.

Mr. Hutchins—All I want to say is this: "That this association favors and recommends the passage of laws requiring chattel mortgages, conditional sale contracts and like instruments be filed in the office of the proper county official, and also with the proper township official." That is the way I should like to have the resolution read. We have this in Michigan at the present time. The bill introduced by Mr. Lurton, of St. John's, previous to the one introduced at the instance of our association into the Michigan Legislature, failed of passage. It was drawn that way, that such instruments should be filed with the proper county official, and of course it met with the disfavor of the country districts. You understand now, if you leave this entirely with the county official, you cannot get your country districts to support it at all, because all the legislators that come from the country districts to the legislatures of your States are very chary and careful about

offending the township officers; and if you insert that clause so that it will be filed in both places, and then each copy filed shall govern the notice to the public, you can get it through the legislatures when you could not otherwise do so. We are right in the middle of that fight in Michigan, and I know how it works. Our bill has been reintroduced, and is before the senate now and we hope to win out on it; and my suggestion to amend the resolution is given only to make it easier for all the States to get the law on the statute books, and I ask for a reconsideration on that ground.

Vice-President Robbins—Mr. Hutchins' motion for the reconsideration of resolution No. 7 is now before you, has it been seconded?

Motion to reconsider seconded and carried.

Vice-President Robbins—The subject is open for discussion.

Mr. Hutchins—I offer the following as an amendment to the original resolution.

"Whereas, Present conditions require that the record of chattel mortgages, conditional sale contracts and like instruments be properly kept, easy of access, and safely preserved; therefore, be it

"Resolved, That this association favors and recommends the passage of laws requiring that chattel mortgages, conditional sale contracts and like instruments, be filed in the office of the proper county official, and also in the office of the proper township official."

Howard Marshall, of New York—I trust the amendment will not prevail. I cannot see how it will be to the interest of any credit man to have these chattel mortgages filed in two offices. I see how it may be to the interest of the township officials. Of course we know that in the past there have been a great many places where chattel mortgages have been filed, and there has always been a fee attached to it. Now, if we take away the filing of chattel mortgages from the township, and place it with the county official, of course the township official will be deprived of his fee, and perhaps thereby will not feel very pleasantly towards his constituency; but I cannot see how the credit man is going to be benefited by the chattel mortgage being filed in two places. The purpose of this resolution is to have it filed in one place, where it can be readily gotten at by the mercantile agencies. I trust therefore, that the amendment will not prevail.

Max Silberberg, of Cincinnati—I understood the gentleman to say that this resolution is to stand intact, and for that reason he offered an amendment, or rather an addition to this resolution. His amendment is for no other purpose than to secure the passage of a law on this subject, which he probably would not be able to secure were it not for this addition to the resolution. In other words, he thinks that it will be easier to pass a law of that kind in a State if the township clerk is considered in drawing up the bill, than it would be if the township clerk were not considered.

Mr. Hutchins—Let me explain my position. Mr. Silberberg has touched the point. I am told by my friend from New York that I am liable to get into trouble. Of course the condition there is different. But it is not that I want to change radically any of this resolution, or discourage anybody's work, or anything of the kind, but our legislature in Michigan has treated this matter in a selfish manner, simply calling it class legislation in the interest of the credit man, and claiming that we were disregarding everybody else. And we do not stand any show whatever of getting it out of the judiciary committee, if we lose sight of the

township officer. This addition is put in only as an expedient. We would file them in both places—no question about it—and let the other little details that are necessary follow.

A. H. Burt, of Buffalo—I dislike very much to oppose my good friend from Grand Rapids, but I am certainly opposed to this amendment, for the following reasons: In the first place the Credit Men's Associations of the States of the nation do not want easy laws; easy laws are easily evaded. In the next place the priority of the chattel mortgage always holds good. You might have two chattel mortgages recorded on a piece of property, and the first one recorded is the one that is in effect. Suppose you have two places for recording a chattel mortgage, with the county clerk and with the town clerk, how will the priority be determined? You must prove it in court. It is a dangerous thing to do. File your chattel mortgages in one place only, whether in the town clerk's office or the county clerk's office, preferably in the county clerk's office, but not in two places. (Applause.)

W. P. Peter, of Dallas—This point is simply a move to solidify the country district, in order more quickly to secure immediate legislation. I would make this suggestion, that the mortgage should first be filed with the proper county officer, and that a duplicate be filed with the proper township officer. That is what Mr. Hutchins is after; and that will enable him to secure the help which the township officers can give in passing the desired legislation. In a number of States we already have the county law, but it is where they have a township law that I understand Mr. Hutchins is insistent upon his addition. They need it as a political move to help them out.

Mr. Watson—It has been suggested that a bill drawn up in accord with the amendment would be very much like a law requiring a capital offense to be punished by hanging, and then by electrocution. It seems to me the simile is a good one.

There are about 23 or 24 States that already have laws requiring chattel mortgages to be filed in the county offices. The newer States are passing such laws, and framing their bills in that way. There is no question in the world, so far as any credit man is concerned, as to the advisability or choice between the two places. There is no argument whatever, in favor of requiring a chattel mortgage to be filed in the township office. There is every argument in the world in favor of having it filed in a county office, where it is easy of access, and where it can be reached. Now, if it is impossible in one State to secure the passage of this law, as we want it passed, with all due respect to Mr. Hutchins and the State of Michigan, we hope they can get it through in some way; but it seems to me it is entirely inadvisable for this association to place itself on record as asking of the different States to have chattel mortgages filed in two places. Let us use our efforts and influence to secure the passage of this law where we can. If we cannot secure the passage of it in every State, let us do the best we can; and if in those other States we must have the township filing, do not let us have two places and have the annoyance of filing mortgages in two places. Litigation would arise as to priority, in the case, for instance, of one man having his mortgage placed on file first in the county and another man first in the township office. This would cause a great many perplexing questions to arise in a case of that kind. I trust the resolution will be passed as originally offered. (Great applause.)

H. E. Choate, of Atlanta—It seems to me that it should be a question of local option. Each affiliated association can well be entrusted to take care of the law as it may apply to the peculiar conditions of its own

surroundings. Therefore I trust the resolution will be passed as originally offered.

Vice-President Robbins—The question is on the amendment to the 7th resolution.

Amendment lost by almost unanimous vote.

Vice-President Robbins—The amendment is lost.

J. W. Spangler, Jr., of Seattle—I move that the resolution be amended by striking out the word "filed," and substituting therefor the word "recorded."

Hugo Kanzler, of New York—It might be a serious question if we substituted the word "recorded" for the word "filed" in the resolution, for this reason: It has been held in some States that if the law is mandatory that it shall be recorded, in the opinion of some of the courts it is necessary for the one who files the instrument to see that it is recorded as a matter of fact; and they charge that it is not the duty of the clerk to know this, but the duty of the party who files, and I think, therefore, it is proper to let the word stand as incorporated in the resolution.

Vice-President Robbins—There was no second to the amendment.

Motion made that the resolution be adopted as read.

Seconded and unanimously carried.

Vice-President Robbins—The resolution is adopted as read. The Secretary will read Resolution 8.

Secretary Meek—Resolution 8 is as follows:

8. "Resolved, That we recommend that our members and local associations be requested to keep informed concerning proposed legislation in the various States, relating to fire insurance, and use their efforts to the end that we secure the greatest possible uniformity in laws concerning the same."

Motion made, seconded and unanimously carried that the resolution be adopted.

Vice-President Robbins—The resolution is adopted. The Secretary will read the resolution offered by the Cleveland Association of Credit Men.

Secretary Meek—The Cleveland Association of Credit Men request that the following resolution be offered:

"Whereas, Under existing rates, the first-class mail matter furnishes approximately eighty per cent. (80%) of the revenue of the post office department and produces more than one hundred million dollars of profits per year, while it supplies less than fourteen per cent. (14%) of the tonnage; and

"Whereas, Under existing rates, second-class mail matter furnishes more than two-thirds of the paid-for tonnage of the mails, and produces less than four per cent. (4%) of the revenue.

"Resolved, That the Cleveland Association of Credit Men urges upon Congress the importance of a reduction from two (2) cents to one (1) cent per ounce on all first-class mail matter, and the entire re-classification of second-class matter, and that a copy of this resolution be mailed to the Senators and the Congressmen from the various districts of the United States in which we have associations."

Motion made and seconded to adopt the resolution as read.

J. A. McKee, of Philadelphia—I move that the words "National Association of Credit Men" be inserted in lieu of the words "Cleveland Association of Credit Men."

Vice-President Robbins—We will hear from Mr. Burrows, who has the floor.

Charles W. Burrows, of Cleveland—In bringing forward a

matter of this kind, that is not related, apparently, to the subject of your deliberations, the Cleveland delegation, which has made me its momentary spokesman, thanks you for the courtesy of being heard upon it.

It strikes me, and it has been their opinion, which I am endeavoring to voice, that there should be first a word or two said as to the pertinence of the subject.

If any measure can be enacted that will automatically save to the business men of the United States approximately \$50,000,000 per annum, it is certainly a measure that must redound very greatly to the establishment of better credit conditions throughout the country and to the general betterment of credit conditions.

What is your loss through bad debts, approximately? A matter around 4-10 of 1%, varying with the kinds of business the localities and the individualities of the firms.

What is the expenditure of a firm for first-class postage? It is invariably almost more than 4-10 of 1%. To a firm that does a business of one-half a million dollars per annum, 4-10 of 1% will be about \$2,000. Can that amount of bad indebtedness loss be materially reduced by never so strenuous efforts and the greatest wisdom that your whole body of able men can put to it?

You yourselves argue, and it was argued to you yesterday, that in endeavoring too vigorously to hold losses down to that \$2,000 you will limit the volume of your trade, and you may diminish the net profits of your year's business instead of increasing them. But if you have \$2,000 of expenditures for the half million volume of business per annum incurred charged against your profit and loss account through bad indebtedness, the same firm will expend on the average \$3,000 per annum for first-class postage; and the ordinary business letter which today is paying over 90 cents per pound for its carriage, and is contributing over \$100,000,000 of profits per annum to the post office department, revenues should be reduced so that a penny stamp instead of a two-cent stamp will carry the business letter; and if that is done you have automatically effected a saving that there is no possibility of equaling through any economies or betterments of your conditions you may make in your collection of bad indebtedness.

Now, there is one suggestion made by Mr. Higinbotham yesterday that I would very much like to impress upon your chairman, and I bear in mind the value of your time here and that is Mr. Higinbotham's warning, "Do not watch the clock save at the opening hour." Give me more than five minutes, gentlemen—I will make it just as brief as I can.

Great Britain last year had for postal receipts £17,000,000 (\$85,000,000). What were the profits or the losses upon that business? There were £5,264,000 of profits (\$26,000,000). What was the expense account of the United States Post Office Department? Why, twice \$85,000,000—\$178,000,000. What was the condition of affairs here? Did we make a proportionate profit? Had we done so we should have had \$55,000,000 profits from our post office last year; and instead of that we had a loss of \$10,542,000. Great Britain has made a profit for every year of the last ten years of more than \$20,000,000. The profit has aggregated £42,000,000 for the ten years—over \$200,000,000 for the ten years. What have we done? We have \$77,700,000 of net deficit.

Where has the money gone? There are 161 cities, if I remember rightly, that by the last census had a population each of 25,000 inhabitants or more; there are 161 cities in the United States, in other words, where the business men of the United States operate. The postage revenue last year was approximately \$130,000,000, and over \$100,000,000

was contributed by 161 cities of the United States, with a population of over 25,000 each. In other words, it was the business men's communications that paid the bills of the post office. Where has all of that profit gone? There was over \$100,000,000 of profit without a possible doubt, in the operation of the carriage of the first class mail last year?

Three-quarters of a million dollars has gone in special delivery letters, three-quarters of a million dollars in the registration of letters and three and a half million dollars has gone in the money order system. That is another one of these things that has had a paternalistic, socialistic, almost communistic development in this country. There has gone into the extension of the rural free delivery service about \$18,000,000 of net loss. That is a good thing in spite of its size. But whether it is a good thing or not, it is going to increase; but we want it to increase; for next year it is going to be \$34,000,000—the expense account of the rural free delivery service—and it is not producing \$6,000,000 of revenue.

But where is the bulk of the loss gone? Of the total mail tonnage, which amounts to a little more than one billion pounds per year, the first class mail is 13 to 14 per cent. Second class mail produced 708,172,000 pounds which is over 70 per cent. of the paid-for tonnage of the mails. How much revenue ought it to have produced? 70 per cent. of the expense account of one hundred and seventy-eight and a half millions of dollars, which would be \$125,000,000. Did it produce it? Well, I should say not. It produced \$6,603,000, just about 1-20 of the proportionate expense account.

Now, it does not cost 70 per cent. of the volume of the expense account to transport that 70 per cent., but it does cost by expert estimate approximately 40 per cent. 40 per cent. would be about \$75,000,000 to \$80,000,000, and it produced \$6,000,000. In other words, the second class mail matter is producing an expense account of \$76,000,000, and producing \$6,000,000; or it is creating an expense account of \$66,000,000 and producing \$6,000,000—or possibly \$86,000,000—and it is responsible for a loss of sixty-five, seventy-five or eighty-five million dollars.

I could talk to you a week, but I will not take half a minute longer. I have good terminal facilities. I come from Cleveland where they exist a plenty.

Already there has been placed at your disposal some of these little pamphlets, and I have more of them here. I have given away over 25,000 pamphlets on this question, and I will give away as many more as I can get into good circulation.

Recently I had a call from the Second Assistant Postmaster General for 500 copies of a similar pamphlet on the parcels post question. I want you all to read this pamphlet and ask for more, and they will be cheerfully furnished; and if you have any organization within striking distance of Cleveland it can call on me; and let me talk to your association when the dog-muzzle law is not on; and I will take your time as long as you will let me. But take what I say on faith now and pass this resolution. I thank you and thank you earnestly. (Great and continued applause.)

J. A. McKee, of Philadelphia—The motion that I made for the correction of that resolution is, I think, proper. If it is stated that the following resolution is offered by the Cleveland Credit Men's Association for its adoption by the National Association of Credit Men, that will cover the whole question, and then the resolution will read: "Passed by the National Association of Credit Men," asking Congress, etc., because it becomes then the voice of all the associations instead of one, namely the Cleveland Association of Credit Men.

Motion to adopt amendment seconded and unanimously carried.

The resolution was adopted as amended and as adopted reads as follows:

"Whereas, under existing rates, the first class mail matter furnishes approximately eighty per cent. (80%) of the revenue of the post office department and produces more than one hundred million dollars of profit per year, while it supplies less than fourteen per cent. (14%) of the tonnage; and

"Whereas, under existing rates, second class mail matter furnishes more than two-thirds of the paid-for tonnage of the mails, and produces less than four per cent. (4%) of the revenue:

"Resolved, that the National Association of Credit Men urges upon Congress the importance of a reduction from two (2) cents to one (1) cent per ounce on all first-class mail matter, and the entire reclassification of second-class mail matter, and that a copy of these resolutions be mailed to the Senators and the Congressmen from the various districts of the United States in which we have associations."

R. H. White, of Atlanta—I offer the following resolution:

"Resolved, that the Board of Directors are directed to appropriate the sum of \$2,000 of available funds now on hand, to use during the year 1907-08 at the discretion of the legislative committee in aid and furtherance of legislation vital to the interests of the entire association in States where the membership does not exceed 200."

The reason I offer that resolution is that it is in the States where we are weakest that legislation needs the greatest support.

Motion made to refer the resolution to the Committee on Resolutions.

Vice-President Robbins—I do not think it should be so referred. I think it is pertinent to the subject under discussion and in order.

Resolution re-read by the Secretary.

Hugo Kanzler, of New York—I move to table the resolution.

Motion seconded and carried.

Vice-President Robbins—The resolution is tabled.

W. P. Peter, of Dallas—While we are on the report of the Legislative Committee, I believe that every member of the association ought to consider himself part of the Legislative Committee and as such take a personal interest in all matters of legislation affecting our interests. We must remember that it is work and not faith alone that we want. A member of the third house or lobby is the faith and the credit man is the works; but we must take up the faith in Texas. When we had the bulk law fight on, there was some opposition. During the time that the fight was on credit men did not sleep. On the other hand, when the majority of the House was pledged (the measure had already passed the Senate) many of our credit men thought that it was time for them to stop exerting their efforts—at least enough of them did not make the personal sacrifice to visit the capitol, to lend their influence in favor of the act. Otherwise our report would have been one of victory rather than defeat.

And along that line Congressman Bell, of Texas, addressing the Dallas Association, spoke of the duty of the business man—

Vice President Robbins—Have you a resolution to offer?

Mr. Peter—No, sir.

Vice-President Robbins—The convention is an hour behind the schedule set in its program, and I would much rather that there should be no further discussion unless there is a resolution to follow.

We will hear the report of the Membership Committee. Owing to the decease of Chairman W. E. North, of Cincinnati, the report will be read by George Guckenberger, of Cincinnati.

Mr. Guckenberger—It is my painful duty to state that the Cincinnati Association, which has been honored with this committee, has lost a valued associate in the Chairman of the committee, W. E. North. He was a charming man, he was a hard worker, he was sincere in the work of this association. It now becomes my duty to read this report, which is the last document that he signed before his death a week ago.

Report read by Mr. Guckenberger as follows:

Report of the Membership Committee.

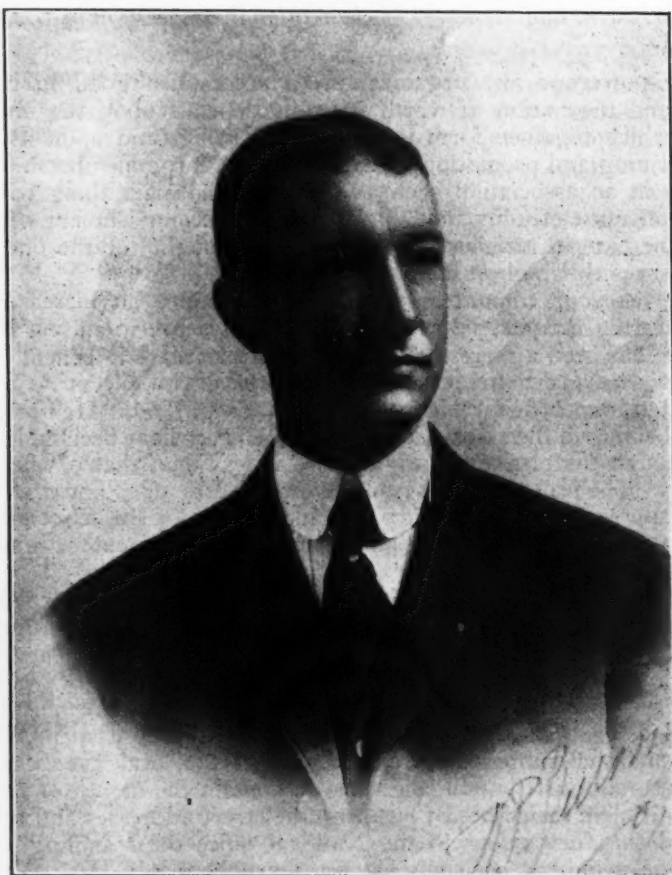
To the President and Members of the National Association of Credit Men.

GENTLEMEN:

The power of any organization to accomplish good in the community and the nation in which it exists depends upon the underlying objects which together form its reason for being, and upon its success in establishing and promoting these objects. A large membership is very desirable in an association such as ours, but the main thing which this association must steadily hold highest is the accomplishment of results, and an increase in membership must ever be sought for the one reason, that it serves this highest end.

It gives your committee pleasure to announce an increased membership during the past year, and still more pleasure in stating its belief that there has been a more than proportionate increase in benefit to members. Today every State and Territory in the Union except Arizona has an affiliated branch of the National Association of Credit Men or individual membership in the association. Many members have been added to the roll, although the proportion of increase is less than that of the preceding year. The cause of this smaller increase is due, however, not to lack of appreciation of the purposes and efforts of the association, but rather to a greater concentration upon the development of those purposes.

Our predecessors on the Membership Committee had recommended for adoption, in their annual report, a number of valuable suggestions to local associations, among which was the holding of frequent meetings at the close of the day's business, an informal dinner to precede the meeting, with invitations extended to those eligible for membership, the preparation of a card index of eligible firms whose membership is desired, and the compiling of a directory of the local membership for general use and distribution, the same to contain the names of the firms, their credit men, their lines of business, the street addresses and telephone calls, and the forwarding to the National office of a mailing list containing the names of such eligible firms to whom it is desired that the BULLETIN be sent free of charge for several months, and the careful choice of officers and committees, with a view to securing able and loyal leaders who will work. These recommendations we again offer, and lay special emphasis upon the proved value of holding frequent association meetings. A glance over the record of the membership of those affiliated branches which have adopted the "frequent meetings" idea will convince those who are familiar with the association that there is nothing else which encourages activity or promotes the influence and general welfare of our organization as much. Through such meetings the members have the opportunity of forming personal acquaintanceships which extend into and exert a far-reaching influence upon their business affairs, and bind the members together with a spirit of coöperation which has tended to improve the moral tone of the business community. To the lack of this "get together" spirit can be



Chairman Membership Committee,
W. E. NORTH
Sanford, Varner & Co., Cincinnati, O.

Died June 3, 1907

attributed the inactivity and, in some cases, the actual failure of certain local associations. The local association in its organization work has often to contend with the bitter strife and petty jealousies existing between business men of its own city who are engaged in the same line of trade, perhaps next-door neighbors, each trying to outdo the other, not through legitimate business competition, but by highly questionable methods. Frequent association meetings form the best means of combating this unfortunate condition.

The success of the Membership Committee will always depend largely upon the success with which the other committees prosecute their work. The growth of such phases of association work as are represented by the Adjustment Bureau Committee, the Credit Coöperation Committee, the Investigation and Prosecution Committee, etc., and the efficiency with which these departments, now being widely established, are operated, has attracted and will continue to attract a large number to our membership who require such practical work.

Much valuable time has been given since the 1906 convention to the work of local associations. Under their direction the Assistant Secretary has made calls upon members who needed to be brought into more intimate touch with the aims of the association, and has successfully solicited many new members, besides making effective addresses before local meetings. The result of these efforts has been to lay solid foundations. Right here, we request the assistance of the secretaries of all local associations in reporting to the National office the firm name of every new member immediately upon his election, and the name of the credit man for such firm, so that the BULLETIN may be promptly forwarded.

The National Association has further increased its usefulness by the installation of a follow-up system. A return card was sent to every member of the organization, both national and affiliated, with the request that the names of those whom it might be possible to interest in our work be furnished. While the response was liberal and fully warranted the effort, it did not reach the result which had been anticipated. When names of parties who could be reached by local associations were furnished on these cards they were reported to those bodies. Where parties could best be reached directly from the National office they were placed upon the mailing list to receive not only the BULLETIN but other pieces of literature, as well as an occasional reminder in the shape of a letter. As an enclosure in all its communications, the National office is now using a small card for the purpose of securing names. We recommend that every local organization and every member of the association coöperate with the National office in carrying out this line of work.

Further, we believe it is a proper policy to secure the affiliation of the "so-called" Credit Men's Associations which are not members of the National Association, provided there be used, as heretofore, all due caution in excluding from membership any and all organizations fathered by attorneys or others who hope to profit personally thereby, and also to prevent the use of the association's name by all unauthorized persons or organizations, especially collection agencies.

Finally, we wish to make certain recommendations looking to uniformity, and the protection of members and the public from deception. We believe that the association's strength lies in the fact that it is national and not local, that its membership has an interest as wide as the Nation, that the association combines and conserves the interest of all communities. We know that during the past year various attempts have been made by non-members to utilize the influence of the Credit Men's

Association by adopting a name that is similar to its name and by the use of the stamp, and inquiry and property statement blanks of this association, and it is very difficult on account of our size, to prevent non-members from practicing this form of misrepresentation and fraud. It sometimes requires investigation to know what persons are members and what local organizations are branches. Therefore we recommend that the National Association have a form of letterhead designed, upon which will appear the aims and objects of the association, and the statement, "National Association of Credit Men," and that the National Office have this letterhead copyrighted. In this way a standard form of letterhead, protected by copyright, will be secured. And it will then be easy to determine at a glance whether the association using our name is entitled to it by affiliation with the National Association of Credit Men. Therefore we recommend that after this letterhead is adopted and copyrighted every local association be requested to adopt a letterhead with this copyrighted portion as the central feature, and that steps be taken to copyright the stamp and property statement and trade inquiry blanks of the association, to the end that their unauthorized use may be prevented.

We further suggest that all local associations adopt a uniform name and make any other changes necessary looking to uniformity.

Your committee offers for discussion one matter which it has considered and regarding which it holds a divided opinion; it is this, that no inquiries for interchange information be answered unless the inquiring party is a member of the local association of credit men or of the National Association of Credit Men.

The following places have been visited during the year in the interests of the membership committee:

Appleton, Wis.; Boise, Idaho; Butte, Mont.; Canton, Ohio; Chattanooga, Tenn.; Cheyenne, Wyoming; Columbus, Ohio; Dayton, Ohio; Fond du Lac, Wis.; Fort Smith, Ark.; Fort Wayne, Ind.; Green Bay, Wis.; Indianapolis, Ind.; Janesville, Wis.; Kansas City, Mo.; La Porte, Ind.; Lincoln, Neb.; Little Rock, Ark.; Madison, Wis.; Manitowoc, Wis.; Mansfield, Ohio; Marinette, Wis.; Mishawaka, Ind.; Muncie, Ind.; Oklahoma City, Okla.; Omaha, Neb.; Oshkosh, Wis.; Peoria, Ill.; Pine Bluff, Ark.; Pocatello, Idaho; Portland, Ore.; Racine, Wis.; Richmond, Ind.; Salt Lake City, Utah; Seattle, Wash.; Sheboygan, Wis.; Sioux City, Iowa; Sioux Falls, S. D.; South Bend, Ind.; Spokane, Wash.; Tacoma, Wash.; Topeka, Kan.; Two Rivers, Wis.; Walla Walla, Wash.; Wichita, Kan.; Yankton, S. D.; Youngstown, Ohio.

Local associations have been organized at Boise, Idaho, Butte, Montana, Charleston, S. C., Lexington, Ky., Newark, N. J., Oklahoma City, Okla., and San Antonio, Texas.

A comparative statement is herewith submitted showing the membership of the local associations as of June 1, 1906, and June 1, 1907.

	June 1, 1906.	June 1, 1907.
Atlanta, Ga.	62	62
Baltimore, Md.	308	379
Birmingham, Ala.	41	42
Boise, Idaho .....	..	14
Boston, Mass.	138	139
Buffalo, N. Y.	99	165
Butte, Mont. ....	..	33
Charleston, S. C. ....	..	42
Chattanooga, Tenn.	31	30
Chicago, Ill.	485	523
Cincinnati, Ohio	166	193

Cleveland, Ohio	441	705
Columbus, Ohio	153	195
Dallas, Texas	72	76
Denver, Col.	187	162
Des Moines, Iowa	47	53
Detroit, Mich.	141	172
Duluth, Minn.	44	47
Fort Worth, Tex.	54	66
Grand Rapids, Mich.	152	166
Houston, Texas.	51	55
Jacksonville, Fla.	49	30
Kansas City, Mo.	73	97
Lexington, Ky. ....	..	14
Lincoln, Neb.	18	39
Los Angeles, Cal.	93	91
Louisville, Ky.	88	98
Lynchburg, Va.	26	19
Memphis, Tenn.	101	83
Milwaukee, Wis.	175	180
Minneapolis, Minn.	108	109
Nashville, Tenn.	99	100
Newark, N. J. ....	..	77
New Orleans, La.	48	76
New York, N. Y.	611	646
Norfolk, Va.	36	37
Oklahoma City, Okla. ....	..	36
Omaha, Neb.	80	73
Philadelphia, Pa.	440	494
Pittsburgh, Pa.	310	358
Portland, Ore.	88	94
Richmond, Va.	83	103
Rochester, N. Y.	203	200
St. Joseph, Mo.	56	53
St. Louis, Mo.	360	435
St. Paul, Minn.	84	88
Salt Lake City, Utah	73	84
San Antonio, Texas ....	..	31
San Diego, Cal.	15	15
San Francisco, Cal.	203	154
Savannah, Ga.	38	46
Seattle, Wash.	56	67
Sioux City, Iowa	21	21
Sioux Falls, S. D.	11	11
Spokane, Wash.	61	76
Toledo, Ohio	52	64
Troy, N. Y.	31	31
Wheeling, W. Va.	38	38
Wichita, Kan.	38	47
Youngstown, Ohio	41	60

6,579

7,694

The membership of the association on June 1, 1906, was as follows:

Organized	6,579
Individual	1,011

Total7,590

And on June 1, 1907,

Organized	7,694
Individual	953
Total	8,647
A net increase organized	1,115
A decrease individual	58
A net increase of	1,057

The decrease in the individual membership is due to the organizing of local associations at several points.

The following resolutions are offered:

"Resolved, That the Board of Directors of the National Association of Credit Men be and they are hereby requested to take the necessary steps toward preventing the use by unauthorized persons of a title similar to that of the National Association of Credit Men or its affiliated branches."

"Resolved, That the Secretary-Treasurer is hereby directed to carry out the recommendations made by the Membership Committee as to copyrighting the various forms issued by this association, and he is also directed to prepare an official letterhead and to copyright the same."

In conclusion the committee, on behalf of the Cincinnati Association, and for itself, desires to acknowledge its sincere appreciation of the honor bestowed upon our fair city in delegating to it the important work of this committee. Our efforts alone could not, in the very nature of things, have been successful without the coöperation of the various associations in other cities and that of the National Association in general. Our indebtedness for this assistance is most cheerfully confessed and we beg to prove our readiness to receive your new suggestions.

Respectfully submitted,

W. A. HOPPLE,
GEO. F. DIETERLE,
W. H. MURPHY,
GEO. GUCKENBERGER,
W. E. NORTH, *Chairman.*

Motion made and seconded to adopt the report as read.

Motion seconded.

Howard Marshall, of New York—There is a very important matter in the report. I refer to the paragraph with reference to the exchange of information in the report. It reads thus:

"Your committee offers for discussion one matter which it has considered and regarding which it holds a divided opinion; it is this, that no inquiries for interchange information be answered unless the inquiring party is a member of the local association of credit men or of the National Association of Credit Men." That is found on page 15 of the printed report.

Now, I submit that this association should not form itself into a trust for the restriction or the limitation of a free interchange of information; and if we do so, we do so certainly against our own interest, and I move, therefore, that that paragraph be stricken out.

Motion seconded.

Mover and seconder of the motion to adopt the report accept the amendment. Report adopted as amended, unanimously.

Vice-President Robbins—The report and the resolutions are adopted, with the exception of the following paragraph.

"Your committee offers for discussion one matter which it has considered and regarding which it holds a divided opinion; it is this, that no inquiries for interchange information be answered unless the inquiring party is a member of the local association of credit men or of the National Association of Credit Men."

Motion made to take a recess until 2.30 P. M.

Motion seconded.

Motion for recess was unanimously carried and recess taken until 2.30 P. M., same day and place.

SECOND DAY.

Thursday, June 13, 1907.

Afternoon Session.

Convention called to order by the President at 2.35 P. M.

President Fessenden—The first business before the convention is the report of the Business Literature Committee, by F. C. Swan, Chairman.

Report read by Mr. Swan is as follows:

Report of the Business Literature Committee.

To the Officers and Members of the National Association of Credit Men.

GENTLEMEN:

The main effort of the Business Literature Committee has been devoted to the BULLETIN, the monthly publication of the Association, which has been brought to its present state of efficiency largely through the able direction of our Secretary-Treasurer.

The importance of the BULLETIN to the Association, and its possibilities in keeping members in touch with each other and with the best thought of the day in credit matters, is now recognized by the majority of our members.

We call your attention especially to the excellent quality of the contributions coming from the pens of our members and their friends, which have been published during the past year. These articles have, in the main, been contributed by men who have ripened in their professions; the subjects dealt with have been highly practical, and we firmly believe that every reader of the BULLETIN secures distinct benefits from perusing its pages.

We will not attempt to enumerate the many excellent articles which have appeared in the BULLETIN during the year. It will not be amiss, however, to refer to two or three special features.

The series of articles arranged for by your committee, written by Gustavus Myers, under the heading, "History of the Prosecution of Bankrupt Frauds," has been very instructive.

Your committee selected a number of well known cases, and in treating them Mr. Myers' style has made absorbing reading, and the credit man who follows them is made the keener to detect traces of fraud in the failure cases in which he has interest.

The series presenting Credit and Commercial Cases, by George



Chairman Business Literature Committee

F. C. SWAN

John H. North Co., Boston, Mass.

H. Murdoch, Jr., has continued to be a valuable feature of the BULLETIN each month, and again the numerous articles which indicate the activity of the Local Associations in matters of legislation affecting credits have been important contributions.

Your Committee has endeavored to divide the space in the BULLETIN among the association departments and interests, such as Fire Insurance, Credit Coöperation, Credit Department Methods, Legislation and the new Adjustment Bureau department, which is rapidly arresting the attention of an increasing number of credit men.

The columns of the BULLETIN have been taken advantage of by a number of credit men seeking to make changes in their business connections. We have no definite information regarding the success met with in this direction, but we believe that a number of those who have made known their wants through the columns of the BULLETIN have profited thereby.

During the year, 108,200 copies of the BULLETIN have been printed, which is an increase of 8,500 copies over the preceding year. The issues of the year contained 704 pages of printed matter, an increase of 88 pages over last year. The expense incurred for printing and distributing amounted to \$4,500.58, as against \$3,699.17 for the preceding twelve months. The most expensive item of the year in connection with the BULLETIN was the publishing of the July number containing the convention proceedings.

Several of the affiliated associations have undertaken the publication of a monthly bulletin in the form of a leaflet devoted mainly to items of local interest. The opinion of the Committee is that such a publication coming, as it does, in the nature of an official monthly letter, serves to stimulate interest, and we approve of its use by local associations.

The Committee, acting under a resolution adopted at the last convention, published a fourth edition of the pamphlet, "Laws Regulating the Sale of Stocks of Goods in Bulk." This pamphlet, when first published, some years ago, consisted of 12 pages; the pamphlet of the present edition has 112 pages, and the Committee has arranged to have a supplement printed containing the bulk laws which have been enacted in the various states since January 1, 1907. In the preparation of this pamphlet the Committee secured the services of a competent attorney, who prepared a review of a number of court cases involving the law, and citing suitable court decisions.

An issue of Association literature used largely in missionary work is the booklet, "Is It Worth The Dues?" The Committee has found it advisable to print this booklet in small editions, for the reason that the subject matter changes from time to time. A number of the affiliated branches have adopted the use of this booklet, and we earnestly recommend it to all others as an excellent, concise statement of our work, which will help to secure new members for the Association. The National Office is prepared to furnish this booklet at exact cost, bearing the imprint of the association ordering it.

In accordance with instructions conveyed by the last convention, the Committee published another edition of "Failures and their Causes." The Committee was also instructed to publish a revised edition of "Business Hints as to Business Success." However, your Committee decided to postpone the publication of this piece of literature, and devote its attention instead, to securing contributions for a more comprehensive work on this subject. Invitations were extended to a large number of credit men to coöperate in this effort by writing articles on some one of the three subjects:

"The Relation of Fire Insurance to Credit."

"Why Creditors Should Attend Bankruptcy Meetings."

"How to Organize and Maintain a Credit Department."

As yet it is too early to report definite results.

The Committee will turn over to its successor such material as it has gathered. The articles already at hand promise that the committee for 1907-8 will have ample material for a valuable publication on these subjects.

In response to a suggestion from the Legislative Committee we have undertaken to compile and publish a pamphlet covering the exemption laws of the several states. This material is now in preparation, but we are compelled to leave it in the hands of the incoming committee.

We wish to thank the members of the Association who have sent us suggestions. The ideas advanced by them have been of material assistance, and we trust that our associates will favor the incoming committee still more freely along these lines.

Your Committee offers the following resolutions:

"Whereas, The National Association of Credit Men has, by the publication of the pamphlet entitled, "Laws Regulating the Sale of Stocks of Goods in Bulk," given to its members a valuable contribution for reference; therefore be it

Resolved, That the National Association of Credit Men, in convention assembled, does declare itself in favor of the publication through the Business Literature Committee of other reference books on subjects pertaining to the credit department; and be it further

Resolved, That this Association does now heartily approve of the purpose and action of the Business Literature Committee in aiming to provide the members of the Association with a reference book on the Exemption Laws, and hereby requests the incoming committee to arrange for its early publication."

Respectfully submitted,

CARL DREYFUS,
A. E. CLARK,
M. OTIS HALL, JR.,
GEORGE H. LEACH,
F. C. SWAN, *Chairman*.

President Fessenden—The report is before you.

Motion made and seconded that the report be adopted as read, including the resolutions.

President Fessenden—If you move the adoption of the report, it carries with it the adoption of the resolutions without discussion. If you make the motion that the report be received, it will leave the matter up before the convention for such action as may be proper.

Motion withdrawn.

Motion made, seconded, and unanimously carried that the report be received.

H. M. Battin, of Milwaukee—I move that the report and the resolutions as submitted by the committee be adopted.

Motion seconded and unanimously carried.

President Fessenden—The report and the resolutions are adopted as read.

We will take up the report of the committee on Adjustment Bureaus, David S. Ludlum, of Philadelphia, Chairman. (Great applause.)

Report read by Mr. Ludlum is as follows:

Report of the Committee on Adjustment Bureaus.

To the Officers and Members of the National Association of Credit Men.

GENTLEMEN:

The committee in charge of Adjustment Bureaus for this association found itself embarrassed in undertaking the preparation of its report, not from lack of material, but because of the abundance of interesting and important matters which we desire to lay before the convention for its information and action.

Because the Adjustment Bureau was introduced as a regular feature of this association only two years ago and is still distinctly in its formative period, and further because it brings into the association, as we believe, a quality or character of effort different from that demanded of any other committee, we have had to study many vital problems in which the precedents of the association have given us no guidance. Our purpose under these circumstances has been to proceed slowly and only after much deliberation, and lay a solid foundation for this department, which, as many confidently believe, is to become a large factor in the credit work of this country and is eventually to offer one of the strongest incentives for the growth of the National Association of Credit Men so that it shall number among its members practically all the large credit grantors of the country.

At the annual convention held in Baltimore in June, 1906, a special committee appointed by the Board of Directors in accord with a resolution adopted at the Memphis Convention of 1905, presented a report in which was set forth a general review of the work of the several Association Adjustment Bureaus then in existence, an expression of the committee regarding the objects, aims, and scope of Adjustment Bureaus and also resolutions along the line of more firmly and definitely establishing the Adjustment Bureau as a recognized department of the Association.

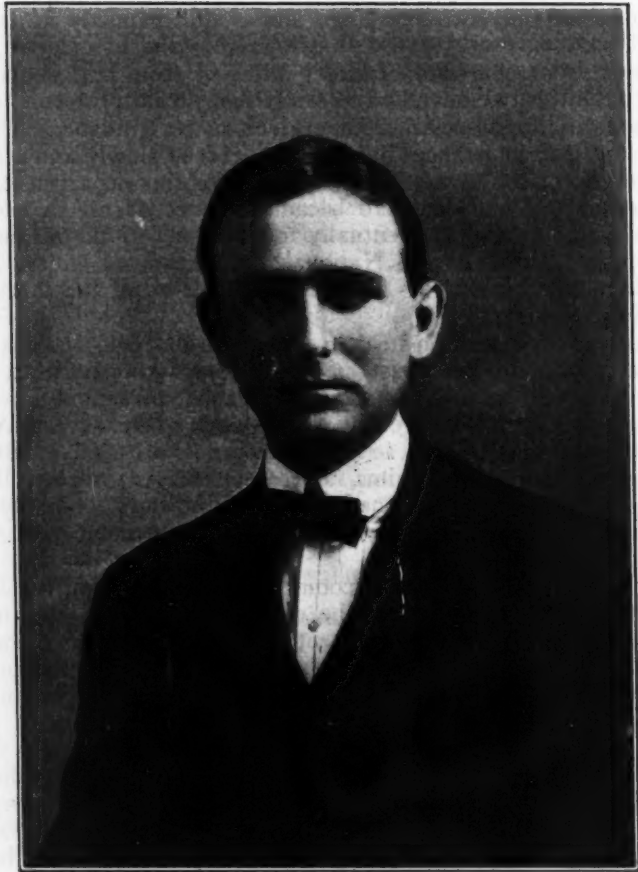
The interest manifested in the committee's report led to a call for a special meeting to be held during the convention week. This meeting was attended by a number of representatives of local associations, but such were the demands made upon the members by the regular program of the convention that the limited time did not give the opportunity for that full consideration which the subject deserved. However, a feeling was created which led to the calling of a conference which was held in Cleveland, at the invitation of the Cleveland Association of Credit Men, January 14th and 15th last. At this conference much progress was made in outlining policies and producing a sentiment for "united action over the entire country along uniform lines in cases passing under the control of the Adjustment Bureau."

The associations located at the following cities were represented at the conference: Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Denver, Des Moines, Detroit, Ft. Worth, Grand Rapids, Kansas City, Louisville, Memphis, Milwaukee, Minneapolis, New York, Philadelphia, Pittsburgh, Rochester, St. Louis and Youngstown.

The National Association was represented by Vice-President Thos. P. Robbins, by the Committee on Adjustment Bureaus, and by Secretary-Treasurer Meek.

In his address of welcome to the delegates, Vice-President Robbins emphasized the seven clauses which set forth the fundamental aims and objects of Adjustment Bureaus, and which received the approval of the Baltimore Convention, namely:

1. To investigate, upon request, the affairs of a debtor reported to



*2nd Vice-President and Chairman
Adjustment Bureau Committee*

DAVID S. LUDLUM
Philadelphia National Bank, Philadelphia, Pa.

be insolvent and adjust the estate, when possible, without court proceedings.

2. To secure capable and efficient receivers, appraisers or trustees when court proceedings are found to be necessary.

3. To secure quick adjustment of all honest failures at the minimum cost and with the maximum dividend to the creditors.

4. To facilitate and economically secure extensions or liquidations when, upon investigation, it is found to be to the best interests of all.

5. To influence concerted action by the creditors for the benefit of all.

6. To assist creditors to acquire for their own use the estate of failing or insolvent debtors when mutually agreed upon.

7. To prosecute or assist in the prosecution of the guilty party or parties when investigation discloses fraud or the intent to defraud.

These claims were adopted as the starting point of the conference.

The first day was devoted to an open discussion in which every member present was given an opportunity to express his opinion on any phase of the Adjustment Bureau work.

At the session of the conference held upon the second day, the discussion crystallized into the following recommendations, a copy of which the Secretary-Treasurer was requested to send to every delegate present and to all affiliated branches, which he has since done:

1. That a uniform style of name be adopted by each Adjustment Bureau, viz.: "Adjustment Bureau of the..... Association of Credit Men."

2. That all Adjustment Bureaus to be recognized as such by the National Association of Credit Men, be under the direct control of the association in the city or cities in which they are located.

3. That charges made by Adjustment Bureaus for services rendered shall be uniform to all the members of the National Association of Credit Men and its affiliated branches, in each case, and may not exceed ten per cent. (10%) on the amount distributed to creditors represented, except in cases where extraordinary services and expenses are required, in which case a reasonable charge shall be made by direction of the committee in charge of the particular case.

4. That all Adjustment Bureaus forwarding claims shall receive one-third of the fee charged by the bureau making the adjustment, unless otherwise agreed upon.

5. That the operating bureau immediately send detailed information to the bureau where creditors are located, and at the same time notify creditors of a failure in which they are interested, that detailed information may be secured from the Adjustment Bureau in his territory, and requesting that the creditor call upon the local Association and make proof of his claim and submit his credit information and correspondence to his local bureau for its use.

6. That, unless otherwise requested, all dividends for distribution be forwarded by the operating bureau to the bureau from which the respective claims were received, and that all correspondence and reports on such claims be between the forwarding and operating bureaus.

7. That the Secretary-Treasurer be requested to prepare suitable literature for circulation by Adjustment Bureaus in connection with the securing of claims; such literature to be furnished to the Adjustment Bureaus at cost.

8. That a uniform proof of claim and power of attorney be

prepared by the Secretary-Treasurer; said power of attorney and proof of claim to be forwarded to creditors with a notice of failure.

9. That each Adjustment Bureau prepare a statement describing the territory in which they are prepared to handle adjustments, and forward the same to the Secretary-Treasurer, who is requested to distribute such information to each and every association.

10. That a bureau handle no cases, in the name of the bureau, except insolvent estates, or such cases as require concerted action on the part of the creditors, or in which an investigation is requested by a member.

11. That the National Office secure, as soon as possible, a history of the formation of each Adjustment Bureau, together with a copy of its rules, keeping the same on file.

12. That the Committee on Adjustment Bureaus have prepared for the use of the bureaus a telegraphic code.

13. That a letter explaining the benefits of Adjustment Bureau work be directed monthly, for a period of twelve months, to each member of the National Association of Credit Men, the subject matter to be supplied by the Adjustment Bureau Committee, the expense to be prorated among the associations having Adjustment Bureaus.

14. That space be set aside in the BULLETIN for the purpose of publishing statistical and other matter covering the work of the Adjustment Bureau.

15. That a report of this conference be published, and that the national officers issue an address to the membership, inviting a careful consideration of the same for the purpose of securing further co-operation in the work.

16. That credit men use a sticker, to be attached to all claims sent to attorneys for collection, in ordinary course, before failure, and the Committee offers the following:

"We are members of the National Association of Credit Men.

"This association has upwards of 8,000 members in the United States. In twenty-nine (29) cities they operate Adjustment Bureaus for coöperative action in failure cases. If the debtor named in the attached claim should fail while the claim is in your hands we desire you to use every effort to have the estate placed in the charge of the Adjustment Bureau at _____, for the benefit of all creditors. If you are instrumental in having this done you will be paid the usual fee on the amount collected, even if the bureau does all the work of liquidating the estate. Otherwise we reserve the right to recall this claim at any time."

The National Association shall print and distribute these slips to all of the local Adjustment Bureaus, local Credit Men's Associations, and to members at large, the expense to be borne pro rata by the various Adjustment Bureaus, the members being advised that where their attorney, or representative, is instrumental in having estates placed in charge of an Adjustment Bureau, no charge will be made for handling their claim through the bureau.

17. That the Adjustment Bureaus keep a careful record of all cases passing through their hands for the purpose of furnishing the Adjustment Bureau Committee with reliable data for representation in its annual report.

18. That an annual conference of the Managers of the Adjustment Bureaus be held.

19. That the various associations of credit men give careful consideration to the establishment and maintenance of a reporting

bureau in connection with their association as a most valuable adjunct to the Adjustment Bureau.

20. That the several Adjustment Bureaus furnish local associations from time to time with the names of collection agencies using the name of Credit Men's Association for advertising their business, but not identified with the National Association of Credit Men.

Before adjourning, the conference adopted a resolution that the officers of Adjustment Bureaus be requested to report to the officers and directors of their local associations the above recommendations and advise the Chairman of the National Committee of Adjustment Bureaus what action was taken upon them. Your committee has received thus far twenty-one responses in which the views of officers and directors were expressed. In most of the responses, the approval of all the recommendations was given, but some associations took a different view of certain recommendations which they believed contained conditions that could not be made to apply equally in all Adjustment Bureaus or fairly under many cases which arise. Your committee has appended to the report certain resolutions, based upon a summary of these responses, which we trust will receive the sanction of this convention.

Your committee for the purpose of securing further definite information regarding the policies and work of the Adjustment Bureaus, in April mailed a memorandum requesting attention and answer on the following points:

1. Name under which Adjustment Bureau operates.
2. Is Bureau under the control of your association?
3. Does the Bureau handle cases outside of insolvency or failure cases, cases requiring concerted action on the part of creditors, or where an investigation has been asked for by a member?
4. Please furnish a statement covering the operations of your Bureau, to include a review of its organization, figures showing the number of cases handled and the result therefrom.
5. The committee will appreciate the receipt of a copy of the rules under which the Bureau operates, as well as a copy of the different forms used; also a copy of any literature which may have been issued by you on Adjustment Bureaus.
6. Please outline the territory in which you are prepared to handle adjustments.

The replies from the Bureaus indicate a marked uniformity, the exception for instance in such an item as the titles under which they do business being mainly in localities where the Bureau was in existence before this adjusting work was undertaken by the association; the control is invariably in the hands of the local associations, generally through a Committee on the Adjustment Bureau; the rules governing the operations of the Bureau—copies of most of which are in the possession of your committee—were markedly similar indicating conformity to the recommendations of the Conference. The territory covered by each was fairly well defined and was such as could be economically covered.

Without burdening our report with too much statistics, we give you a few figures and expressions received from Bureaus, which we believe will be interesting.

One Bureau reports an average settlement of 65 per cent. and that the highly satisfactory results obtained are causing a much prompter filing of claims which means greater rapidity in the process of settlement; another reports an average settlement during the past year of

55 per cent.; another of 44 1-3 per cent.; another of 57 1-10 per cent.; and another the high average of 80 per cent. with an average of 8 1-5 per cent. charged to creditors for services.

With a recent record of ninety-three cases handled out of court by one Bureau, it paid the creditors 51 1-5 per cent. of the claims filed. One Bureau reports that its record for promptness in settlement is winning wide approval from commercial interests; and another calls attention to the good proportion of settlements it has made without interruption to the business.

These figures prove beyond question at least one thing, that the members of the National Association of Credit Men have been provided with an instrument, the use of which will diminish their losses. Such figures, which all will agree prove that the efficiency of the Adjustment Bureau is distinctly superior to that shown by the usual and ordinary methods of making settlements, need only the persistent advertising of the local bureau to secure firm and loyal supporters. They substantiate the claim made for the Bureau in the beginning, that the assets of insolvents will be conserved and dividends will increase. At the time of the last convention, there were twenty-six Adjustment Bureaus, now there are thirty-two and from one end of the country to the other are Bureaus equipped and ready to serve you, needing only more use to make them still more efficient. We urge you to form the habit of placing your claims with the Bureau, either that Bureau located in your own city or, if without one, then in the Bureau located nearest the estate in question. And not only do we urge you to send your claims to the Bureau, but that you ask those who are not members to send theirs so that the entire commercial world may have an intimate knowledge of the work. The record of the Adjustment Bureaus in the first two years of service warrants the activity of every member in their upbuilding and should make unnecessary any request from us that you offer them your regular support when you are in need of a medium of adjustment.

In accordance with resolutions adopted at the last annual convention, the association has had printed and distributed to the entire membership, including those who have joined since its publication, the report of the Special Committee on Adjustment Bureaus presented at the Baltimore Convention and has had printed each month in the BULLETIN the names and addresses of those in charge of the Adjustment Bureaus of the association. Furthermore, space has been liberally given in the BULLETIN to features of the Adjustment Bureau work, especially to examples which show the effectiveness of its work.

Before closing our report we wish to call your attention to the fact that frequently as adjusters, the bureaus have to take over the assignments of the fire insurance policies. This has been called to the attention of companies and with a view to coöperating with the bureaus, a form of assignment has been drawn under their direction, a copy of which we make a part of this report, as follows:

ASSIGNMENT OF INTEREST BY INSURED.

The interest of.....as assured under this policy is hereby assigned to.....as "Attorney in Fact," acting under the services and supervision of a "Committee of Creditors" selected by the Adjustment Bureau of the..... Association of Credit Men, having full power and authority to continue the business as conducted by the said assured or to close the affairs thereof, as the said "Attorney in Fact" and the said "Committee" deem expedient and most advantageous to the creditors of said assured.

This assignment being subject to the consent of.....
Insurance Company of.....

.....
(Signature of assured.)

Dated.....19....

CONSENT OF COMPANY TO ASSIGNMENT OF INTEREST.

The.....Insurance Company of.....
hereby consents that the interest of.....as assured
in this policy be assigned to.....
"Attorney in Fact."

.....
Agent.

Dated.....19....

To be attached to and made a part of Policy No.....of
theInsurance Co., of.....

.....
Agent.

In conclusion we desire to offer the following resolutions based upon certain of the recommendations made at the Cleveland Conference:

"WHEREAS, The Adjustment Bureau of the National Association of Credit Men has become one of its established departments, which of necessity frequently becomes an agent through whose workings this association is known to credit men and the public in general and accordingly should conform to certain standards, be it

"Resolved, That each Adjustment Bureau in order to be recognized as a part of the National Association of Credit Men, must be under the direct control of the affiliated association in the city or cities in which it is located."

"Resolved, That a uniform style of name shall be adopted by each Adjustment Bureau, viz: "Adjustment Bureau of the-----
Association of Credit Men."

"Resolved, That the Adjustment Bureaus of the association shall handle no cases in the name of the bureau, except cases of insolvent estates, or such cases as require concerted action on the part of the creditors, or in which an investigation is requested by a member of the association."

"Resolved, That a conference of the Managers of the Adjustment Bureaus of the several affiliated associations shall be held annually at such time and place as shall be designated by the committee of the National Association on Adjustment Bureaus. The expense incurred by the National Committee in attending such conference shall be borne by the National Association and each local association shall bear the expenses of their representative or representatives."

"Resolved, That each Adjustment Bureau furnish the Secretary-Treasurer with a description of the territory in which it is prepared to handle adjustments and that the Secretary-Treasurer advertise this information among all the local associations as received."

"Resolved, That the various associations of credit men be requested to give careful consideration to the establishment and maintenance of the reporting bureau in connection with their associations as a valuable adjunct to the Adjustment Bureau."

"Resolved, That the Secretary-Treasurer prepare literature relating to the securing of claims for circulation by Adjustment Bureaus, such literature to be furnished to the Bureaus at cost."

"Resolved, That a feature be made regularly in the BULLETIN of such statistical and other matter as will bring the Adjustment Bureau continually before the members."

"Resolved, That the National Office issue an address to all the members inviting a careful consideration of the Bureau to the end that their coöperation may be secured in its behalf."

"Resolved, That every Adjustment Bureau shall keep a careful record of all cases in which they become interested so that the National Adjustment Bureau Committee may be in possession of trustworthy data for preparing its annual report."

Respectfully submitted,

JOHN L. POWELL,
H. L. EISEN,
RALPH R. GILLETTE,
M. L. STERNE,
DAVID S. LUDLUM, *Chairman.*

MEMORANDUM.

As a matter of interest to the members, your committee thought it would be well to attach to its report a statement of the territory which some of the associations have informed us their Adjustment Bureaus are prepared to cover.

(Some bureaus informed me what territory they were equipped to cover too late for insertion in this report, and for that reason these bureaus do not appear in this memorandum.)

Cincinnati—Southern district of Ohio, Bankruptcy Division and parts of Kentucky adjacent to Cincinnati.

Cleveland—Northern Ohio.

Columbus—Central and Southeastern Ohio.

Denver—Colorado, Wyoming, New Mexico, western parts of Kansas, Nebraska and South Dakota.

Fort Worth—Northern Texas, Southern Oklahoma and Indian Territory, within 200 miles of Fort Worth.

Grand Rapids—Michigan.

Kansas City—Western half of Missouri, Kansas, Indian Territory, Oklahoma and southern Nebraska.

Los Angeles—Southern California, Arizona, New Mexico.

Louisville—Territory which is immediately tributary.

Milwaukee—Wisconsin and the upper peninsula of Michigan.

Philadelphia—New Jersey as far north as Trenton, and Pennsylvania as far west as Altoona.

Portland—Oregon, Washington, Idaho, western Montana, northern California and Alaska.

Richmond—Richmond, Manchester and Petersburg.

Salt Lake City—Utah, Idaho, Wyoming and Nevada. The Bureau would like to take only those parts of these states within a reasonable radius of Salt Lake City.

San Diego—County of San Diego, California.

Spokane—Washington and Oregon east of the Cascade Mountains and the extreme western part of Montana.

Youngstown—Cities and towns in Ohio and Pennsylvania contiguous to Youngstown.

At the conclusion of the reading of the printed report Mr. Ludlum said:

Having been the Chairman of the Special Committee appointed by

President Fessenden in compliance with a resolution which was adopted by the Memphis Convention and subsequently Chairman of the Standing Committee which was authorized by the resolution passed at Baltimore in 1906, making the Adjustment Bureau one of the Standing Committees, I feel it is due to all those of our members who have interested themselves in the Adjustment Bureau work to express at this time the appreciation of these two committees for the able and efficient assistance which various members have given. Both of these committees have had a great deal of work to perform, and I sincerely hope that the report which has just been read will be accepted, and that the resolutions will be adopted in their entirety. The conference held at Cleveland last January did a great deal to further the successful operations of these bureaus. I firmly believe that another conference held sometime between now and the time of the next convention will accomplish considerable toward uniformity in procedure which will result in simplicity in using the bureaus. There is not a credit man in the room today, nor a member whom you are representing here as a delegate, who can afford not to give the Adjustment Bureaus a fair trial. All that is necessary for you to do is to support them. The support means nothing else than that when you are interested in an insolvency you ask your local adjustment bureau to forward your claim to the bureau nearest to the point where the failure has occurred, or if you have not as yet established your adjustment bureau, that you send it yourself direct to the adjustment bureau nearest to the location where the failure has occurred. I do not wish to put the following in the form of a resolution, but having given the matter of adjustment bureau work considerable thought and study, I would like to recommend that the Board of Directors of the National Association of Credit Men give serious consideration to the employment of one well acquainted with this Adjustment Bureau work, whose duty it shall be to visit those associations throughout the country which already have adjustment bureaus, as well as those which have not, in order that this representative may render to the next Committee on Adjustment Bureaus the assistance which that committee needs to carry on its work properly, and in conclusion I move the report be received.

Motion made and seconded that the report of the Adjustment Bureau Committee be adopted in its entirety.

G. B. Hill, of Pittsburgh—I move that the words "in order to be recognized as a part of the National Association of Credit Men" be stricken out of the first resolution, so that it shall read:

"Resolved, That each adjustment bureau be a part of the affiliated association in the city or cities in which it is located."

Hugo Kanzler, of New York—Before the adoption of the report as a whole, I would like to ask the Chairman of the Committee as to what interpretation or definition he puts on this clause: "Except cases of insolvent estates." In what manner is the bureau to ascertain the matter of insolvency? Is it based on the question whether the firm has been put into bankruptcy, voluntary or involuntary, or must certain facts be submitted to the bureau indicating that the concern against which the claim is lodged, is insolvent?

Mr. Ludlum—I think if I read the entire resolution, and not stop where Mr. Kanzler has, it will give the explanation:

"Resolved, That the adjustment bureaus of the association shall handle no cases in the name of the bureau, except cases of insolvent estates, or such cases as require concerted action on the part of the creditors, or in which an investigation is requested by a member of the association."

Mr. Kanzler—Mr. Ludlum has divided the resolution into three classes, taking his own language.

Mr. Ludlum—I cannot answer the question any more intelligently.

F. S. Evans, of Philadelphia—I would like to rise to a question of information. Do I understand that the motion is to adopt the report?

President Fessenden—The motion is on the amendment that certain words be stricken out.

(Amendment read.)

Mr. Hill's amendment is accepted by the mover of the resolution, that the report be adopted in its entirety, and seconded.

J. B. Campbell, of Spokane—I move an amendment to the second resolution so that the same will read as follows:

"Resolved, That a uniform style of name shall be adopted by each adjustment bureau hereafter organized, viz: Adjustment Bureau of the Association of Credit Men."

The reason I move this amendment is because a large number of bureaus were organized long before they became a part of the National organization, and I think they should not have to change their names.

Amendment accepted.

J. E. Porter, of Pittsburgh—You will recall that we provided yesterday that the offices of secretary and treasurer may be filled by one person. Now I take it that the literature to be provided by the secretary-treasurer is meant to be provided by the secretary, and it appears to me that in case some day this coming year or some other year you see fit to divide those offices, and have them assumed by two men, such general use of the name secretary-treasurer may result in a conflict of authority and the treasurer may want to saddle this work on the secretary or vice versa; and I suggest and offer it as an amendment to these resolutions that in each place where the words secretary-treasurer appear, the word "treasurer" be stricken out.

Amendment accepted.

The report was then adopted in its entirety.

President Fessenden—The report is adopted.

The resolutions are all adopted excepting that where the word secretary-treasurer occurs, it is stricken out, and the word "secretary" inserted in lieu thereof.

J. B. Campbell, Secretary of the Spokane Merchants' Association, offered the following resolution:

"Be it Resolved, That this association recommends that before suit is brought by any member of this body on account of a past due account, a report of the debtor's condition be obtained, if possible, from the Adjustment Bureau, in whose territory the debtor resides."

Motion made and seconded that the resolution be adopted.

President Fessenden—Under the rules it would go to the Committee on Resolutions without debate.

Mr. Campbell—I would like to say just a word, if the body will permit me.

President Fessenden—There is no objection, and you will be given such permission by unanimous consent.

Mr. Campbell—The reason I offer this is because I believe that such action as I have suggested is proper and should be carried out in justice to the home bureau. Every bureau, I presume, is organized on the same plan as our own, that is, our members enter into an agreement whereby they bind themselves that they shall not stoop to any secret or underhand means by which they may procure a preference. The greater number of failures are precipitated and brought forth by hasty suits, and

I believe if every man here, or every member of this National Association, before sending a claim to a secretary, would write to the nearest bureau and find out the man's condition, it would inure to his benefit, because if a man is "broke" he wants to know it; if he is not able to pay his debts he wants it handled in a manner so that he will get the most out of it. By writing to the bureau he will learn that man's condition. If he is solvent, then all well and good, let him take whatever means he sees fit to collect his claim; but if he is not, then let him request the adjustment bureau to take hold of the affairs of this man, and wind them up.

D. L. Sawyer, of St. Paul—I have had considerable experience along the same line, and desire to say that in many cases it is an impossibility to ascertain the true condition of the debtor. In fact, oftentimes debtors themselves do not know their condition. I know of a number who have made signed statements within thirty days of the time of their failure, showing that they were amply solvent. When you inquire of an adjustment bureau as to the condition of a debtor, do you know when you get that information whether it is correct or not? I do not think that is the way to handle such matters. I believe every creditor should attempt to collect his own debts, so far as he possibly can, until the man becomes insolvent, or is known to be insolvent.

Lee M. Hutchins, of Grand Rapids—I hope this resolution will not pass.

President Fessenden—Mr. Campbell had the floor by unanimous consent and there will be no further debate. The President rules that the motion is out of order, and the resolution is sent to the Committee on Resolutions.

George W. Ryan, Chairman of the Fire Insurance Committee, will present its report:

Report read by Mr. Ryan is as follows:

Report of the Fire Insurance Committee.

To the President and Members of the National Association of Credit Men.
GENTLEMEN:

Your Committee on Fire Insurance has the honor this year, for the first time, of reporting as one of the standing committees of the National Association. As was to be expected in its formative years, this subject did not take hold of the minds of the members as of primary importance to the association, but the intimate relationship between credit and fire insurance has become generally and clearly recognized, and we believe the force of this great National organization will gradually make itself felt as much in this department of its work as in any other. No organization of business men is more naturally interested in insurance matters than the National Association of Credit Men, because insurance is one of the most frequent considerations of credit grantors in individual cases and—looking at the matter from a larger point of view—it is clear that excessive fire losses have a damaging effect upon the credit conditions of the country.

The question of reliability of insurance companies, so far as capacity and disposition to meet losses is concerned; the fire contract and the need of a full knowledge of its clauses and provisions; the broker and the necessity of his selection on purely business grounds; the proper amount of insurance to carry, so that there will be neither under nor over insurance; legislation which will materially help insurers and insured and not prove disadvantageous to either; all these subjects have been treated thoughtfully by the association in its meetings, literature and correspondence.



Chairman Fire Insurance Committee
GEO. W. RYAN
Standard Mfg. Co., Pittsburgh, Pa.

But it has been the desire of your committee to go a step further and suggest if possible, in this report, lines of work this association can follow beyond merely their educational features, for the business world today presents no department which has more problems for solution than are to be found in the two aspects of fire insurance, namely: fire insurance as commonly spoken of, and fire prevention. Coöperation between those who make fire insurance their profession and business men who buy protection is necessary for a solution of these problems.

As an association we can approach these matters without passion, so that our recommendations shall not seem to be made on a basis of opposition to the companies, but for the purpose of securing real protection against fire and fair and assured indemnity in case of fire.

Such relationship do fire insurance companies bear to the public welfare that the state by its laws and through its officials should practically guarantee the fitness of the companies who assume the fire risks of its citizens. Right here is a matter in which this association can effectively perform service to the betterment of credit conditions. Quite as important as the adoption of the right insurance policy is the enactment of laws under which there shall be proper supervision of companies, and every local association should make it the duty of a small committee, chosen from its members, to study this question for its own state. Precedents will be found in the methods of supervision provided by the laws of Massachusetts, Connecticut and New York in which states the laws appear to have reached high perfection, and inasmuch as under the best laws man can devise, abuses will take place in administration, it should be the duty of the whole local association to insist that only men of the highest character and who are qualified by knowledge and experience should hold the office which administers the laws, because it is only as the state insurance department is sound in purpose and capable of knowing when conditions are right or wrong that protecting laws will avail. Uniform conditions of inspection over the country would help the public and be more satisfactory to honest companies, and particularly satisfactory to the latter would be the watchfulness of such an association as this in the administration of insurance laws, because one of their greatest causes of annoyance and expense would be mitigated. With laws uniform in all the states and working well in one state and not in another, you can put your finger on the weak spot. Mainly the trouble will be one of administration, the appointment of one who does not have the knowledge. This will have the same result as would take place in the credit department if the mechanic or color-mixer was jumped into its control. The statistics which show the ephemeral existence of a large number of fire insurance companies suffice to prove the need of this effort for uniformity.

A number of cases have come under the notice of this committee of companies which had secured the right to do business in certain states on the strength of a certificate of deposit for a satisfactory amount, and it was only upon the filing of suits because of the non-payment of losses that it was found that the original deposit was temporary. We simply mention this matter in passing to show how easy it has been for outside, irresponsible people to place their companies on the same footing with the legitimate companies of some states.

An authority on fire insurance matters asserts that a large percentage of all policies written are defective, or insufficient in some respects, and particularly this is true of those written in country places. The causes of these defects, your committee is convinced, will, with rare exceptions, be found either in the conditions in the printed form of the

policy, whether it be New York Standard or other form, or in the broker, or better, the vendor of insurance policies.

The problems connected with the policy are intricate. We find in the first place that a large number of states—more than a majority—have adopted what is known as the New York Standard Form, others have their own standard form, and some few have adopted no standard. Uniformity of policy contract has undoubtedly been a great blessing. It presents a contract the meanings of which become known by the interpretation of the courts in numerous decisions and makes unnecessary a careful legal study of each single policy which comes into the hands of the insured. The New York Standard Form has many defects, and certain prominent insurance interests brought before the New York Legislature during the session of this winter a proposed new standard form which undoubtedly possessed great merit in making certain clauses clearer and more just; but while the association gave its support to this proposed change, it is the opinion of the committee that the general movement to complete the standardization of the fire policy throughout the States of the Union will be more promptly completed by endeavoring to secure the adoption of the New York Standard Form in those states which have not yet adopted it. This will be a great step.

The second problem presented for your consideration, which is allied closely to that of the policy, is the broker, or better, the vendor of insurance policies. It is a well known fact that claims which would amount to many millions are each year compromised with the insurance companies by the insured, owing to defects in the conditions or forms of the policies. The average local agent or fire insurance vendor has not been trained to the business of insurance which in its best practice amounts to a profession. He usually represents certain insurance companies in his territory under a certificate of authority signed by the officers of the companies which give him power to bind insurance and sign policies prepared in blank and sent to him. His companies also send him various forms commonly known as "riders" for endorsement in case of removal, changes in title, builders' permit, night work, etc.; also forms and clauses which the companies have specially prepared for certain classes of risks. He knows practically nothing of insurance law and as a rule does not understand the conditions of the policy he issues nor the effect of the clauses he attaches to the same. These prepared riders often fail to meet the conditions as they arise. After the loss he stands by while the special agent of the company, or its adjuster, negotiates a settlement of the claim, because he is without the proper knowledge to point out the rights of the policyholder or protect him in any way. He is the innocent creator of most insurance litigation, and common law of insurance today very largely is the result of his inefficient activity. The compromises made every year which represent the difference between a fair claim and final settlement, if they could be brought before you, would represent a startling sum. These compromises, besides being unjust, have an effect upon credits and are frequently most serious to merchants and manufacturers. Therefore, the vendor of insurance constitutes a dangerous element, because the policyholder looks up to him, follows his advice and accepts the policy which he offers at face value. After loss comes, the public adjuster, if one is employed, charges a percentage for undertaking an adjustment with the insurance company which the agent should be competent to make on the policies which he himself has written and for which he is, therefore, responsible.

The remedy for this evil appears to us to be found in a system of licensing insurance brokers, middlemen or vendors, after a rigid examination as to the honesty and ability of the applicants. No person should

be permitted to negotiate insurance who does not thoroughly understand the modern contracts of insurance, the fundamental principles of insurance protection, as well as the judicial interpretation of the policy conditions which are required in properly advising and protecting his clients. As credit men we appreciate the importance of the lawyer, trained in matters of contracts, bankruptcy, etc., which frequently involve cases of very much less importance than those brought before the insurance agent. The insurer should, as a matter of good business, look to his broker as his insurance adviser on the same principle that it is not safe for anyone to be his own lawyer.

We are of the opinion that this power of license should not proceed directly from the state, but that the large and recognized commercial organizations of the state, or representatives of them, should be given authority over the whole subject, because from the beginning to the end it is a matter of protection to the policyholder, a strictly commercial matter and should, therefore, not be mixed up in the politics of the state. This method cannot work injustice to the companies. While they will naturally be found objecting to such a change, because the local agent constitutes the established instrument of their business, yet finally upon readjustment no injustice would be possible. This appears to us to be the best solution of the difficulties which constantly arise, because the policyholder does not or will not understand his policies, and in view of the fact that intricacies are necessarily connected with fire insurance so that a multitude of policyholders cannot know how to protect themselves, some such solution as the above appears to be necessary.

In the beginning of this report we referred to two methods of fire insurance, first, through the fire companies and second, through fire prevention, and in this second method the association is so situated as to be able to make a showing not only creditable to itself but of great service to the business world, because fire prevention sifts down to local pride and the adoption of clean business methods and far-sighted policies on the part of municipalities. We have purposely made no reference thus far to the matter of rates, because as insurance stands today, competition does not determine the rate of the soundest insurance so much as the fire hazard of the particular property insured and the conflagration hazard of the general locality in which insurance is sought, and both kinds of hazard depend upon conditions largely within the control of men so that in the final analysis the merchant or property owner, together with the city authorities, determine the rate at which sound insurance shall be obtained.

As an authority says, "The indifference of American people to the enormous annual fire loss due to flimsy construction, carelessness and negligence, is the most discouraging feature of the fire insurance situation in the United States," and this is what this association must combat. It is worth noting that the average cost of insurance in America is three times that of Great Britain. The fact must be recognized that with the frequent repetition of conflagrations with which this country has in the past few years been visited, fire insurance is not made a particularly attractive business and the agitation for lower rates is met with an answer too easy of reply by insurance companies.

This association, which has for its aim the improvement of credit conditions, cannot be indifferent to these matters. Conflagration has more than once brought the country to the verge of credit collapse and has made rates so high that men are tempted not to protect themselves sufficiently. The insurance companies exercise their influence for improved conditions by penalizing bad conditions and making allowances for good conditions in their rates. Nothing could be fairer in principle.

All admit that the greatest factor toward the reduction of fire waste is the enactment of proper building laws. The National Board of Fire Underwriters, through experts in fire protection and construction, has prepared a model building code equally adaptable to large and small cities. This, together with the recommendations of that Board, for the improvement of water supply, fire departments, etc., should have the earnest study of every local association as they apply to their particular municipality. Through the efforts of this association, through its affiliated branches, better than through representatives of fire companies, public sentiment can be aroused to influence prompt and favorable action by municipal authorities, to the end that conflagration, if not made impossible, will at least be made less likely. With this accomplished the next step must be obtained from the insurance companies, namely, reduction of rates, and with the insured informed as he is today, the insurance companies realize they must work justly or public opinion and present governmental supervision will bring trouble upon them.

No greater service can be performed for improvement of credit conditions than service along these lines.

We scarcely need illustrations to prove the value of coöperation in securing such results as this association strives after, but the Pittsburgh Association of Credit Men, of which the chairman of this committee is a vice-president, offers an illustration of this principle somewhat novel at least in the history of the Credit Men's Association. Upon a proposition made by the National Board of Fire Underwriters, not long ago, to make an increase of 30 per cent. in insurance rates in Allegheny County, the association had each member in Pittsburgh write a special letter to the Underwriters' Board, protesting against the increase, and also arranged to have each member sign a general protest which embodied the threat that if the increase were put into effect, certain insurance business would be withdrawn from Board Companies and placed with the Non-Board Companies. When this protest was presented it was found that it contained signatures representing eighteen million dollars of insurance contracts. The result was an abandonment of the position taken by the Board, which means a saving to every merchant in Pittsburgh carrying insurance.

Nobody will deny that there are in practice both errors of judgment and unfairness in fixing rates, but in justice it should be remembered that this is often due to territorial agents whose compensation depends on the volume of premiums. These cases, whatever the cause, can easily be brought to light and remedied when such bodies as our local associations study the matter and appoint a competent committee to confer with the underwriters to obtain better rates and learn what physical improvements are demanded.

Your committee feels that this association should express its commendation of those companies which did their duty at San Francisco so bravely and are today working on the high principle of doing their duty in the hazardous and congested districts of our cities. To their disparagement we say to you that many companies are not performing their duty in those districts in which we, as credit men, have our greatest interests, and while this may be good business for those so acting, it throws the burden too heavily on the companies which go directly into the field of greatest hazard where insurance is being eagerly sought. It is fair, therefore, to ask you credit men to use your influence to encourage those companies which are doing their duty in the broadest sense toward the business interests of the nation.

Summing up the work of the year which has been done by this committee, the results are, after all, gratifying, in that they have awak-

ened among our members a feeling that the fire insurance subject is one which affects them directly, and presents problems which they can help to solve. Therefore, if those who take up during the coming year the work of this committee can bring about a fuller realization of this fact and—if our suggestions appeal to them—make a start upon the lines of effort brought out herein, they will find that the insurance committees of local associations will prove the best possible instrument to carry out the suggestions. Besides we recommend a free use of the pages of the BULLETIN, so that these committees may secure thoughts from one another.

We present the following for your consideration:

"WHEREAS, It is generally recognized by credit men that conditions of uniformity in commercial affairs are highly desirable, and that the various phases of fire insurance—which has a close relationship to credit—exhibit many abuses and opportunities for injustice, clearly due to the lack of uniformity, be it

"*Resolved*, That the National Association of Credit Men in convention assembled does declare in favor of uniformity of insurance inspection laws throughout the States, and of the adoption by all States of a uniform fire policy, and in view of the degree of progress it has already attained, selects the New York Standard Form as most practical, and be it further

"*Resolved*, That all affiliated branches of this association be requested to appoint fire insurance committees whose duty it shall be to seek in every possible way to improve conditions of fire insurance and fire protection in their respective municipalities and States."

Respectfully submitted,

C. H. ARNOLD,
J. W. FENN,
H. W. COFFIN,
W. F. MITCHELL,
GEO. W. RYAN, *Chairman.*

Charles Holden, of Grand Rapids—I wish to congratulate the committee upon this magnificent report. I have not only the honor to be a member of the Credit Men's Association, but I am also a member of the National Association of Fire Insurance Underwriters, and I certainly wish to congratulate very heartily the committee on its splendid efforts in the preparation of this report. It is working right along the lines along which the National Association of Underwriters is working, and I must say that we are in hearty accord with this able report and I wish to move the adoption of the report.

Motion seconded.

J. A. McKee, of Philadelphia—I have a letter to read from a gentleman who has made a close study not only of fire losses, but fire prevention through this country and through Europe. It reads as follows:

PHILADELPHIA, Pa., June 8, 1907.

MR. J. A. MCKEE, *Second Vice-President and Treasurer*,
Merchant & Evans Co., Philadelphia, Pa.

My dear Mr. McKee:

On behalf of this company I would be glad if you would bring to the attention of the National Association of Credit Men, at the meeting to be held in "The Auditorium" at Chicago, June 12th and 14th next, the following thoughts in connection with the scheduled report for Thursday of the Committee on Fire Insurance.

I am bringing up the matter presented here in two other associations, namely, "The National Association of Manufacturers" and "The National Hardware Association," of which we are also members, and doing what I can in trade circles in this city to give the subject as great prominence and support as may possibly be secured.

As a rule, committees of these organizations on fire insurance concern themselves more with the question of fire insurance rates and the attitude of the allied fire insurance companies towards the business world than with a much broader and more embracing topic, viz.: *Fire Prevention* in its broadest sense.

The fundamental principle followed by the makers of the fire insurance rate is to take any risk and analyze its danger from fire based on its construction, protection, occupation and exposure; and based, further, on the averages for years of similar risks under like conditions, and thereupon produce a rate which is a fair charge for that particular risk. Therefore, ten per cent. may be fair for one risk, while one per cent. would not be fair for another. My belief is that the foundation step in good fire laws, and, consequently, reduced fire insurance rates, is to construct, protect and occupy buildings so that they will burn less and less; and if the business men of this country, in their various bodies and in their various individual concerns, gave anything like the study to, and had anything like the knowledge of, what is possible in the way of fire prevention, such as the fire insurance organizations themselves have, there would be a wide and serious movement to apply fire prevention principles with the result, I have no doubt, of effecting a reduction of at least one-half of the present fire losses, and in a much shorter period than would seem possible to the casual observer.

There is no subject to which the combined fire insurance interests are giving more attention, deep study and investigation than to this particular subject of fire prevention. I do not mean to say that the different companies engaged in writing fire insurance are all, through their executives, in favor of a universal construction, protection and occupancy of buildings, which will operate to reduce fire losses, because there are many of the executives of these companies who frankly believe that, as far as their particular business of writing fire insurance goes, it is just as well to get the higher rate at the average higher fire loss, because on the average the resultant profits are greater. Now, this is not a sound proposition for the business man. He not only has to pay consistently an annual tax for insurance, but pays an insurance charge which varies in direct proportion to the chances of burning, which latter are in turn directly proportionate to the average of fires that occur; further, he stands the chances of interruption of his business in a like proportion to his fire rates, because the same law of chance which applies to the loss of his merchandise applies to the interruption of his business. Interruption of business creates a loss which it is impossible to insure against, and it may be just as great a loss as that of the actual material consumed. Therefore, when the cost of insurance goes down the chance of interference from fire loss is proportionately decreased.

On favorable city risks and isolated mills it is possible to get competitive insurance from the stock interests on one hand and from the associated mutual companies on the other hand, so that when buildings are well constructed, or well protected, and occupied in a way which minimizes the fire hazard, very low rates are procurable, in many instances running down to one-eighth of one per cent.

If buildings can be constructed in the heart of our great cities, such as different kinds of factories occupy in this city, New York and Chicago,

protected with appliances of known character, and if the owners occupy them in a cleanly and orderly way, just as is now true in some of our most congested districts and in some isolated risks; if these principles of construction, cleanliness and orderliness and their relationship to fire prevention were known and appreciated by every property owner and even partially and reasonably applied, I contend that an enormous reduction in the total fire loss would be inevitable. The *property owners* all over the country, who you, gentlemen, largely represent, should *themselves become expert* on this subject and put in force measures which will be more powerful to reduce insurance rates than any mere protest to the insurance companies for betterment of fire conditions can possibly do. This same enlightened knowledge and attention to the subject would operate through public opinion to strengthen and improve tremendously the municipal water supplies, fire protection service, and other factors tending to reduce the loss by fire.

I want to say a word about this matter of fire loss in this country. The fire loss in the United States for the first four months of the current year represents an average charge per capita of something like \$3.30, as against a European fire loss of 33 cents. There is no conceivable reason, except that of gross ignorance and carelessness in the construction, protection, and occupancy of buildings in this country which operates to make our fire loss per capita about ten times heavier than the average of Europe. Speaking broadly, in gross figures, the fire loss of this country, outside of such great catastrophes as Baltimore and San Francisco, for the past twelve years has amounted to over one hundred and fifty millions of dollars per annum, and is increasing. This total fire loss has exceeded the total losses by bad debts for the same period; the total pension payments of the United States for the same period; the total cost of supporting the Army and Navy for the same period; has practically equaled the production of gold and silver for the same period; and, going a little further still in comparison, has amounted practically to one-quarter of the gross income derived from our railway system, and has far exceeded the interests on the national debt. These figures are so stupendous that the average mind cannot really grasp or understand them. Of all these so-called losses, the *only actual loss* is the *fire loss*. The fire loss is an absolute wiping out of these tremendous values, all the result of human toil and self denial. They do nobody any good, and that public activity which could cut these losses down fifty per cent. would, beyond question, be a great national benefit.

A practical commencement in such a movement could be effected if this association were, as a body, to take membership in the National Fire Protection Association, which represents the best engineering knowledge and activity along the line of fire prevention in this country. The National Fire Protection Association is a combination of active members engaged in insurance underwriting, viz: All of the Stock Insurance Boards, the Factory Mutual Boards and the American Institute of Architects, Society of Mechanical Engineers, Water Works Association, Street Railway Association, including great private insurance enterprises such as that of the Pennsylvania Railroad. *Every member of this association, should it become a member of the National Fire Protection Association, can then also join as a subscribing member at \$5.00 per annum, and to each subscribing member is regularly sent every report issued, and these reports in the aggregate constitute the best detailed advice procurable on the entire subject of fire prevention as conducted now by the combined fire insurance interests. If all of this data, as it comes in week by week, went into the hands of individuals handling this particular*

subject for every business house in the United States, and was *absorbed* and *acted upon* by these men, then we would begin to catch sight of the millennium of fire prevention in practice as the years roll by.

Very truly yours,

Powell Evans, President,
Merchant & Evans Co.

The report and the resolutions were then unanimously adopted.

President Fessenden—We will receive the report of the Mercantile Agency Committee. I will call on Howard Marshall, of New York, to read the report, the chairman being absent.

Mr. Marshall—In behalf of the chairman of this committee, I desire to express his sincere regret that he has been prevented from being present, and consequently prevented from reading this report in person.

The report was read by Mr. Marshall as follows:

Report of the Committee on Improvement in Mercantile Agency Service.

To the Officers and Members of the National Association of Credit Men.

GENTLEMEN:

In presenting its report your committee wishes to thank those members and local associations who responded to the various appeals for suggestions as to the best methods to pursue for the purpose of making this committee of practical use to our membership. The absence of any marked degree of enthusiasm, as measured by the limited number of responses, leads your committee to the conclusion that either mercantile agency service generally has been so improved as to make more than superficial criticism unnecessary or that the excellent work performed by former committees has left the field barren of opportunities for a new committee to be of use and service. Assuming the committee is an unnecessary adjunct of the National Association of Credit Men, it should be abolished, but no doubt a certain amount of work can possibly be found for it to perform under a probable new arrangement. Previous committees have discussed with the principal mercantile agencies the recommendations of the different conventions, and in most instances have found that their recommendations covered features which, while they may have seemed essential to the members, had already been thoroughly considered and their merits passed upon from the viewpoint of the practical agency man. No doubt all of us will freely admit that the mercantile agency experts are in a better position to judge as to their adaptability to the best system of mercantile agency reporting than the average credit man, no matter how intelligent he may be, but who has had no experience in the preparation and issuance of reports which will be satisfactory to the subscriber and at the same time not expose the agency to the peril of legal action for libel or misrepresentation. It must be apparent to all that the agencies are to some extent limited by restrictions in the issuance of reports, and therefore should not be hampered by unreasonable demands.

In response to resolutions adopted by the last convention, replies were received, which are printed in connection with each resolution.

"WHEREAS, It has been reported that R. G. Dun & Co. and the Bradstreet Company have discontinued issuing the daily and weekly sheets in the districts of Michigan and Wisconsin, which action we deem seriously affects the efficiency and value of the service rendered in such districts; and



Chairman
Committee on Improvement in Mercantile Agency Service
J. D. HOPKINS
Geo. Borgfeldt & Co., New York, N. Y.

"WHEREAS, Reinstatement of such daily and weekly sheets has been requested by the local members of our association, of the local managers of the agencies in the districts involved, and recourse denied; therefore be it

"*Resolved.* That the Secretary-Treasurer be, and he is hereby instructed to communicate with the headquarters of R. G. Dun & Co. and the Bradstreet Company, indicating the wishes of the National Association of Credit Men, that the reinstatement of the daily and weekly sheets be made in all districts where the same have been discontinued, and are not at present supplied, but without the discontinuance of any other special information that is now being furnished."

"DEAR SIR: We beg to acknowledge receipt of your favor of the 25th instant, transmitting copy of resolution adopted by the National Association of Credit Men at their Convention in Baltimore, which will receive our careful consideration.

Yours very truly,
(Signed) CHARLES L. BECKWITH, *Secretary.*"

"DEAR SIR: We beg to acknowledge receipt of your favor of the 25th ult., enclosing preamble and resolution adopted by the National Association of Credit Men with reference to the Notification Sheet.

"This subject has had our thought and study for years. There are many, and very serious objections to the publication, which might not be readily apparent to anyone not directly associated with the Agency business. We shall, of course, endeavor to decide the question in that way which will in the largest degree contribute to the proper prosecution of the Agency work, and serve the best interests of our subscribers as a whole.

"With appreciation of the spirit of the resolution, we are

Very truly yours,

(Signed) R. G. DUN & Co."

"WHEREAS, The reports issued by the Bradstreet Company and R. G. Dun & Company are not uniform in their order of presentation of facts and figures, thereby giving information which is unsatisfactory in form and difficult to analyze; and

"WHEREAS, By adopting a standard form of report, the merit of which lies in its being for the mutual benefit of agency and subscriber; therefore be it

"*Resolved,* That the National Association of Credit Men strongly advocates the adoption of a universal form of mercantile report by both R. G. Dun & Company and the Bradstreet Company, and that the Secretary-Treasurer be, and he is hereby instructed to communicate our wishes to both named agencies."

"DEAR SIR: We are in receipt of your communication of the 20th instant, enclosing copy of resolution adopted by your Association at its Baltimore Convention, together with copy of the report presented at that time by the Committee on Mercantile Agency Service, which will receive due consideration.

Yours very truly,
(Signed) CHARLES L. BECKWITH, *Secretary.*"

"DEAR SIR: In respect to the matter of a universal form for agency reports, and a resolution in that connection passed at the last

localities that a popular demand exists for the said sheets, that they are published and distributed. The agency plainly admits they have discouraged the use of these sheets by subscribers, taking the ground

Convention of the National Association of Credit Men, we beg to say, that the so-called 'universal form' was apparently conceived by men who have not a very close or practical knowledge of agency work. While this agency might be willing to entertain any criticism from a proper source as to the general merits of its work, it must be recognized that the matter of form is purely individual, and every house in the land should have the right to conduct its business in the manner best suited to its own convenience.

"It was never contemplated by this agency in its efforts to meet the needs of its clients for good and correct information, that it should also prepare its reports in such a manner as to *spare the busy dispenser of credit the labor of reading them*. On the contrary, it has been our aim to furnish good readable reports that would contain all the facts and opinions we were able to get, with a proper regard for the order of the subjects.

"Our efforts have been stimulated by the belief that the wealth of information which our reports contain was read and appreciated by our patrons, and we would hesitate to adopt any method by which our reports were reduced to a mere form that would divest them of character and individuality, or make every report look or read alike and be graded precisely the same as the product of any other agency that made reports after a model form.

"It has always been our aim to allow reporters the utmost latitude in writing reports with a view to conveying the most correct impression of an abstract subject. In order to do this we could not make our reports fit any kind of a model that the most expert dispenser of credit might devise.

"Aside from numerous objections to a universal form which we do not care to discuss, there is none that appeals to us more forcibly as an objection than the argument the Credit Men's committee use in urging it, and that is that 'Unnecessary reading of reports would be averted.' Our reports are all made to read, and the great majority of our clients must desire to read them or they would not ask for them.

"We fully appreciate the motive that might actuate a very busy man in desiring short cuts in the dispatch of his work, and while there are many devices that are convenient and profitable to adopt, mercantile agency reports must be read to be appreciated and to be of value. We must, therefore, respectfully decline to consider any change as to form, but will always cheerfully welcome any practical suggestion looking towards the general improvement of our work.

Very truly yours,

(Signed) R. G. DUN & Co."

Your Committee called in person at the head office of one of the mercantile agency companies, and met a representative of that company, who had been delegated by the Secretary to receive us. A prolonged interview ensued, in the course of which the resolutions adopted at your last convention were thoroughly discussed. The representative of this agency explained to us how impossible it would be, from a practical standpoint, to issue reports on the standard form favored by your last convention, and with this contention your committee is in accord. The subject of the issuance of the "daily" and "weekly" sheet was next discussed, and the agency stated to your committee, in explanation of the fact these sheets are not published with regularity in all parts of the country, that it is only in such

localities that a popular demand exists for the said sheets, that they are published and distributed. The agency plainly admits they have discouraged the use of these sheets by subscribers, taking the ground that the sheets contain only information that has already been communicated to subscribers direct, and is therefore of no value. Considerable time was spent in a discussion of better provision being made in reports for insurance information, and the agency expressed to your committee a willingness to give this matter very thoughtful consideration, and to "paragraph" if they found it expedient so to do, information concerning insurance. The agency impressed upon your committee its sincere desire to meet every reasonable demand of the credit men of the country at large, and assured us they are sparing no effort to improve their service and render it more efficient, not only in respect to the actual facts contained in their reports, but also with regard to the character and habits of the party reported, and with respect to the matter brought up for consideration at our last convention, namely, the tendency to speculation. Your committee hoped to be able to incorporate in this report a letter from the agency embodying its views on the resolutions passed by your last convention, and containing a general statement of their policy with regard to the suggestions made by your committee, but up to the time of going to press this letter was not received, and it is therefore necessarily omitted.

In view of what appeared to be a reasonable demand for a comparison of the work of the two principal agencies, your committee embodied in its letter of January 31st a request that the members make use of the Record Book issued by the National Office, but the requests for copies were very few, and there have been but few reports received from members using them, and not a sufficient number to be of practical value. It does not seem becoming that this association should make any further recommendations for the use of this book, as it is extremely doubtful if its use will have any material influence on the character of the service, and might be the means of disturbing the harmonious relations which appear to have existed hitherto between the agencies and this organization. Its entire bearing on the situation is too obvious to make necessary any further comment, and your committee approves its discontinuance.

Far better than any concerted action toward the improvement of service, in a general sense, would be the individual activity of the discerning credit man, who, if a report is not up to the proper standard, or contains misleading information, will address the local office furnishing such report, expressing his views, and asking for a special revision on such points as may be indicated. There is no question but that reasonable criticism of a report will lead to a better understanding between subscriber and agency, and in the end be a benefit to both. Therefore, your committee recommends that members having a grievance arising from unsatisfactory service on the part of any commercial agency, such dissatisfaction be communicated to the local office with which they are doing business, and if, after reasonable time, such inefficiency as may be reported is not overcome or satisfactorily explained, that member then lodge complaint with the head office of such mercantile agency. In this connection it might be well to touch upon the subject referred to in previous conventions, viz., the furnishing of experience with customers to the agencies. A willingness to give freely of what costs you nothing, while it may not furnish any direct return, will in the end materially

I have seen it stated that there is one very large mercantile house in this country that gains from \$100,000 to \$200,000 a year in this way; it has been stated that it does one of the largest retail businesses in the

improve the general character of the reports. There is no doubt those who are pursuing this policy will eventually be the beneficiaries. Look at the proposition in its broadest sense, and lose sight entirely of the fact that the mercantile agencies are profiting by the information you give them. We should be satisfied as long as they furnish adequate returns, and this committee believes it lies individually with each credit man to insist that returns be adequate.

Respectfully submitted,

HOWARD MARSHALL,
J. M. TALLMAN,
JESSE M. SMITH,
A. E. PIERCE,
J.D. HOPKINS, JR., *Chairman.*

The following resolutions are offered at the request of the Philadelphia Credit Men's Association:

"Resolved, That the National Association of Credit Men, in convention assembled, does condemn the growing practice of making 'short payments' in settlements by the deduction of excessive discount and unjust claims."

"Resolved, That the mercantile agencies be asked to take cognizance of such practices in formulating their ratings, as firms which habitually settle their bills in this manner are not worthy of 'high credit' rating."

"Resolved, That the members of the National Association of Credit Men be requested to furnish the agencies from time to time with the names of firms making 'short payments,' in order that such information may be furnished to inquirers as an essential feature of the report."

President Fessenden—The report is before you; what is your pleasure?

J. H. Kentnor, of St. Louis—I move that the report be adopted in its entirety.

Motion seconded and unanimously carried.

Max Silberberg, of Cincinnati—Does that include the resolutions?

President Fessenden—I think not. The Chair understands the resolutions are offered by the committee without recommendation.

Mr. Silberberg—I move you then that the resolutions as read be adopted.

Motion seconded.

Mr. Marshall—I desire to say in behalf of the committee that we do not disapprove of the resolutions, but they were received by us at a date too late for consideration by the committee, and therefore we had to put them in the report as a postscript so to speak, and leave them to the convention.

F. S. Evans, of Philadelphia—I might say, in explanation of the resolutions offered by the Philadelphia Association, that we have reached a time when there must be some concerted action towards checking what is getting to be one of the greatest evils in business.

There is not a member of the various associations whom you represent but who has suffered greatly from the deduction of excessive discounts. Short payments are made daily in all lines of business. It may be but a small amount in any single instance, but the aggregate, even in a business of only reasonable size, amounts to a tremendous tax, which should not be borne.

I have seen it stated that there is one very large mercantile house in this country that gains from \$100,000 to \$200,000 a year in this way; it has been stated that it does one of the largest retail businesses in the country, and has a large store in Philadelphia and another in New York. (Laughter and applause.) It is reported that it seldom takes less than one month's extra time and discount, and sometimes more. One month's interest—one half of 1 per cent. on \$20,000,000—will enable you readily to see what a profit there would be in this fraudulent custom; it would amount to \$100,000 a year, and if the business done amounted to \$40,000,000 a year, \$200,000 would be the amount of this dishonest profit.

We can imagine a business is so large that many small merchants and manufacturers are compelled to submit to this extortion or risk the loss of sales.

Now the time has come when such practices should be condemned by this Association, the recognized fountain head in credit matters throughout this country.

Any one of you, if you keep careful count of these things, will find that it is a very large tax upon your business—a tax much greater than your losses from bad debts should be each year. (Great applause.)

A. H. Burt, of Buffalo—I would say, in addition to the remarks made by the gentleman from Philadelphia, that there is another abuse that is quite as serious, and that is in extending the discount period. (Applause.)

At the present time the jobbers throughout the country seem to have the impression that they are permitted to take the cash discount at any old time, regardless of the period stated on the invoice as per contract when the goods are sold. That is especially so at this time when the freights are slow, and they use that as an excuse, saying the goods have just arrived. That is a thing that is not only annoying, but it is stealing a cash discount in 15, 20, 25 or 30 days that they are entitled to only when they pay their bills in 10 days. (Great applause.)

The report and resolutions were then unanimously adopted.

President Fessenden—We will hear the report of the committee on Credit Department Methods, which will be read by the Secretary.

Secretary Meek—The report is as follows:

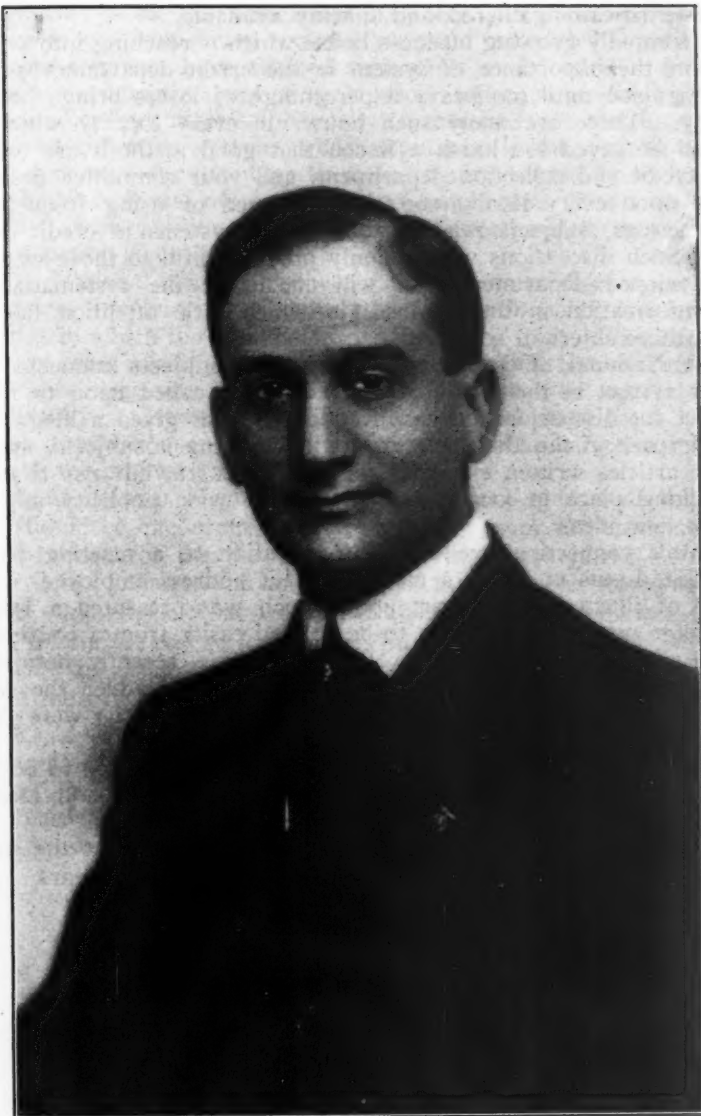
Report of the Committee on Credit Department Methods.

To the Officers and Members of the National Association of Credit Men.

Gentlemen:

Your committee in presenting its report feels that it is treating a subject which has reached a high condition of development. Credit men have now for so long a time had presented to them such a multitude of suggestions for the proper conduct of their department that their main work has been the application of these suggestions to the needs of their own business.

This association has done probably much more than any other instrumentality to spread widely these suggestions and to impress the value of developing a credit department in every business with the result that we find well equipped credit departments are not confined to any one part of the country or to its cities alone. The BULLETIN is witness to the truth of this, because, there is scarcely any general division of the country that has not in the past few months contributed upon its pages some excellent thought along this line.



Chairman
Credit Department Methods Committee
EUGENE S. ELKUS
The Elkus Company, San Francisco, Cal.

Business houses in every part of the country have felt the need of credit department development because in no section do business men now expect to confine their selling to neighboring territory. They feel the necessity of expanding beyond the fields where even slight personal acquaintance is possible and where they must rely upon credit information systematically gathered and quickly available.

In a rapidly growing business house which is reaching into unfamiliar towns the importance of system in the credit department is often not recognized until too heavy a percentage of losses brings home its necessity. There are many such houses in every locality which perhaps can be saved too harsh a lesson that good methods are essential in the credit and collection department, and your committee desires to impress upon every local association the need of using frequently in their meetings, subjects relating to business systems in credit departments. Such discussions will not only prove helpful to those who have well developed departments but will encourage the systematizing of credit information in those houses in which little attention has been paid to this subject.

The National office has often suggested subjects connected with a better system in the credit department when called upon to furnish a subject for discussion at local meetings and has given a liberal allotment of space in the BULLETIN to credit department subjects, not only to those articles written expressly for the BULLETIN, but also to discussions taking place in local meetings so that wide publicity might be given to new ideas.

In this connection, we call your attention to a meeting recently held in St. Louis at which a member in his address employed, for the purpose of illustration, a chart upon which was presented a form of ledger page made large enough to be studied easily from a considerable distance and the readers of the BULLETIN have recently noticed the accounts of meetings held by another association at which the discussions of forms used by the various business houses in its city were greatly helped to clearness by the use of stereopticon slides.

The changes recommended by the preceding committee to be made in the different forms issued by the association received our attention and at this time we have no further changes to recommend.

The sale of association forms has continued at about the normal figure although slightly below the figures of the last two years.

Sale of Property Statement Forms.

Form A	9850
Form B	4850
Form C	1950
Form D	10900
Form E	3000
Form F	8600
Form G	1500

40650

Trade Inquiry Forms, 125,500

The falling off is probably due to the fact that circular work was discontinued during the year.

At the last convention the Secretary-Treasurer was directed to investigate the subject of collection agencies for the purpose of formulating a plan whereby our members could be protected against the operations of irresponsible concerns.

The Secretary-Treasurer has placed before your committee a mass of information which he has gathered and has advised us that through the publicity given to this subject in the columns of the BULLETIN and through notices sent to local associations, several hundred letters of inquiry have been received and answered. The committee is confident that through this work the association has been the means of preventing many members from being mulcted yet your committee is satisfied that some few members have allowed themselves to fall victims to the glib tongue of the advance agent of "gold brick" collection agencies. We urge upon our members most emphatically to refrain from entering into contracts with collection agencies whose reputation is unknown to them, and we further urge our members to make inquiry regarding such agencies through the National office and also to supply that office with the data connected with any unsatisfactory experiences which they have had with collection agencies.

The National office is frequently called upon to discuss questions of law, points involving the bankruptcy law, bulk sales law and other measures in which the association has interested itself. The information sought is often available from the files of the office but not infrequently it has been necessary to consult counsel in order to answer inquiries satisfactorily. Oftentimes opinions so secured have been used for general distribution and this has proved to be an effective means for retaining the interest of members.

In the opinion of your committee the development of this line of work should be encouraged and we strongly favor the establishment of a legal bureau for the purpose of answering the inquiries of members on questions of commercial law. Work of this character would necessarily involve some expense but we believe that members would not object to paying a nominal charge for opinions on points not requiring an extended research. In order that this question may come before you for discussion the committee offers the following resolution:

"*Resolved*, That the Secretary-Treasurer be and is hereby directed to formulate plans for the operation of a legal bureau along the lines indicated in the report of the Committee on Credit Department Methods and present the same for the action of the Board of Directors at the annual meeting."

Respectfully submitted,

W. C. McCLOSKEY
GEO. S. NEVIN,
J. J. SCHUTZ,
H. P. CAPELL,
WM. SWARTLEY,
EUGENE S. ELKUS, *Chairman*.

Motion made by Mr. Ludlum, of Philadelphia, seconded, and unanimously carried, that the report, including the resolution, be adopted as read.

President Fessenden—The report is unanimously adopted.

An adjournment was taken to the next day, Friday, June 15th, 1907, 10 A. M.

THIRD DAY.

Friday, June 14, 1907.

Morning Session.

Meeting called to order by the President at 10.25 A. M.

President Fessenden—The session will be opened by an invocation by Rabbi Joseph Stolz, Minister of the Isaiah Congregation of this city.

Rabbi Stolz—O God, wise Ruler of this wondrous world in which we live, Governor of all nations, Father of all men, we reverence, we invoke Thy holy name with gratitude, we remember Thy many blessings with childlike confidence. We pray Thee for Thy guidance and strength, that we may prove worthy of these Thy favors.

We thank Thee for the peace, the security, the prosperity of our country; and we pray Thee that under the abundance of these blessings we may not become arrogant and haughty, unmindful of the services we owe our country and our fellow men; unmindful of Thy behest to do justice, to love mercy and to walk humbly with Thee.

We thank Thee that Thou hast made us in Thine own image and likeness, and we pray Thee that with a deeper faith in this thought we may realize the higher possibilities of our divine nature.

We pray Thee that the deeper faith in Thee may also lead to a deeper faith in humanity, a stronger consciousness in the final triumph of truth and of goodness, a higher realization that it is righteousness that saveth a nation and wickedness that crumbleth its foundations.

We ask Thy blessing upon the President of our country, the apostle of fair dealing, the prophet of equal justice to rich and poor, to strong and weak.

We ask Thy blessing upon the rulers of this country and the various commonwealths of our land, upon all those who have established homes within the borders of that country over whose realm for the first time this day there floated the star-spangled banner, the symbol of our strength and of our ideals.

Be with us in the final deliberations of this day, that the spirit of counsel and of strength, of wisdom and of understanding, of peace and of harmony, may lead us to our own higher good and to the greater weal of our country, and the profounder blessing of humanity. Amen.

President Fessenden—The Secretary will make an announcement for the committee on nominations.

Secretary Meek—The committee on nominations make the following nominations for directors:

O. G. Fessenden—New York, N. Y.
Geo. H. Graves—Boston, Mass.
Oscar Loeffler—Milwaukee, Wis.
J. L. McWhorter—Nashville, Tenn.
Oliver H. Perry—Columbus, Ohio.
M. Weil—Lincoln, Neb.
Jno. Q. Critchlow—Salt Lake City, Utah.
Chas. W. Linthicum—Baltimore, Md.
Herman Flatau—Los Angeles, Cal.
Jno. Landstreet—Richmond, Va.
Geo. K. Smith—New Orleans, La.
J. W. Spangler, Jr.—Seattle, Wash.
Frank T. Day—Indianapolis, Ind.
A. C. Foster—Denver, Col.

President Fessenden—We are now to listen to an address by the Hon. A. E. Stratton, of Montgomery, Alabama. Judge Stratton is a referee in bankruptcy. (Great applause.)

Address of the Hon. A. E. Stratton.

Grateful though I am for the honor of your invitation to speak of Southern progress, yet I feel that I shall be unable to say anything which will survive the mere ceremonies of the occasion.

Well was it said, in one of the opening addresses, that you were the statesmen of commerce. How truly and how fully you must realize this when you reflect that in the history of American achievement, there is no body of men who have been more conspicuous for patriotic foresight and intelligence than have the business men of this country.

When you reflect again that more than 90 per cent. of the volume of the country's business is based upon credit, then the importance and the magnitude of your duties become apparent.

And if we judge of the future by the past, we can confidently look to the continuation of the era of unexampled prosperity which now blesses this country, so long as the confidence and the credit of the country remain undisturbed.

The commercial development of the South only tells in part the history of Southern progress—for the development of the South during the past forty years has been along all lines, and in every field of activity, thought and enterprise. The great uplift has not only been material, but educational and moral as well. The record of deeds accomplished is not only marvelous in itself but it gives marked emphasis to the growth of the South when compared with other sections of our common country. The triumphant march of Southern development is of unparalleled value, interest and significance when compared to the cheerless, the appalling background of Appomattox. The story of the achievements and unprecedented growth of the South cannot but hold the attention of all thoughtful and observant people everywhere. It stands forth as the proper perspective from which to estimate the possibilities and potentialities of the South's future. The banking capital has increased since 1865 from practically nothing to \$170,000,000 capital and surplus in the national banks alone. The bank deposits representing the savings and earnings of the people have passed the billion mark, with a daily increase of wealth in the South of \$7,300,000 as against \$7,000,000 a week for Great Britain. In the past ten years the South has made in the aggregate 103,639,000 bales of cotton against 72,596,000 for the preceding decade. The South in the last ten years has increased her capital invested in cotton manufactures by the sum of \$200,000,000, and trebled the number of its spindles. It used in its mills last year 2,374,225 bales of cotton against 2,349,478 bales of cotton consumed by the mills in the rest of the country. While the South, with a diminishing agricultural labor supply had demonstrated its ability to keep pace in production with the world's demand for cotton, much has been done to improve labor conditions and property, and restrict child labor, and public sentiment is moving forward to force the enactment of all needed legislation, so as to place the South in full accord with the humane and philanthropic spirit of the country.

Its iron and steel industries are on a solid and prosperous basis, and Alabama and West Virginia have demonstrated their ability to compete successfully with Europe and Pennsylvania in the quality and cost of production of these commodities. With them is the kindred industry of coal mining reaching an output in 1906 of 84,000,000 tons. There are 62,905 square miles of coal fields in the South, extending from West

Virginia to North Alabama, and including the mineral districts of Texas, Arkansas, Missouri and the Indian Territory. Nowhere else can be found coal fields so favorably located with respect to iron ore, lime rock and favorable diversity of soil, climate and transportation. The South's timber and lumber, and naval stores have become phenomenal in importance and magnitude. The forest products of the South today equal a cotton crop of four years ago. Its manufacture of furniture has grown with marvelous strides—so that High Point, N. C., is now the second furniture manufacturing center in the United States. The production of rice has grown from 96,800,000 pounds to 600,000,000 pounds. This enormous growth is due to the fact that Louisiana and Texas have demonstrated the adaptability of their soil and climate to successful rice culture. The Kaolin, of Georgia, is of a superior quality, and is destined to become the foundation of an important industry; while in this concrete age the vast deposits of cement rock in Alabama are sure to bring the manufacture of cement into the front rank of Southern industries.

The phosphate industry of Tennessee, South Carolina and Florida, has made the South prominent in this respect. Louisiana has taken rank as a great producer of sulphur, and since the discovery of oil in Texas, Louisiana and the Indian Territory that industry has grown into a great proportion, and a cheap fuel is procured which is destined to add much to the development of that part of the South. The power long running to waste in the rivers and streams which have their sources in the hills and mountains of the South, is now being utilized for the production of electrical energy. Even now something like 500,000 horse-power is in use or construction is going on in preparation for its use, a capitalization of about \$50,000,000, being represented in this feature of Southern development.

The South has made an advance of 72 per cent. in its farm values in 20 years from 1880 to 1900—while the whole country only records a gain of 67 per cent. By the census of 1900 the income of farms was 25 per cent. as against 14 per cent. in the rest of the country. Southern livestock interests have had a growth in common with other industries, and the minor crops, truck-farming and fruit growing have received great attention in the past ten years and amount to many millions of dollars each year. Therefore, the agriculture of the South is no longer confined to the great staples, cotton, rice, sugar and tobacco. Nor is the great change that has come over the thoughts and habits of our people shown alone in the diversification of its agricultural industries. Diversification of industry is now the order of the day as shown by the fact that of the 339 industries embraced within the scope of the census of manufactures, 262 are found in the southern states and 64,000 miles of railroads are employed in the profitable transportation of the products of this diversified industrial life. Last year the agricultural production of the south reached the enormous total value of \$2,000,000,000 which is nearly \$500,000,000 greater than that of the balance of the country 25 years ago.

The trend of foreign trade toward southern ports is well under way, and when the Panama Canal is completed, this movement will become more pronounced, and from the great ocean pathways of commerce will come wealth to the South greater than the wondrous splendors and glories of Solomon, when he, with Hiram, the King of Tyre, controlled the trade routes of the Orient. Even now the shipment of grain and other western products is changing from northern to southern ports with yearly increase, and many millions have been invested in elevators and in other terminal facilities at these ports to accommodate this increasing trade.

The exportation of bread stuffs from the six leading southern ports for 1906 amounted to \$73,928,282. The ratio of increase of these exports from the same ports is about twice that of the other ports of the country. The total exportation of merchandise from all the southern ports from Alexandria, Va., to Paso del Norte, Texas, for the last year reached the value of \$642,022,763 which is nearly three times the value of the merchandise sent from these ports in 1880. The importation of the southern ports for 1906 was \$101,206,145, making the outgoing and incoming commerce total about \$750,000,000 for a single year. From the figures and facts herein given, it is seen that the South has not only recouped its Civil War losses, but has gained \$2,824,859,768 in its assessed values over those of 1860.

The statistics which record in cold figures the achievements and developments of the South in the past tell only in part of its real advancement. No account is taken of the acquisition of technical, industrial and commercial knowledge, experience and skill, the equipment of hand and brain for the future work demanded of its people. Here is a gain of incalculable value. Neither do these figures tell of the growth in population, in education and the general moral uplift attendant on the prosperity incident to so marvelous a record of achievements. The South at all times has generously given of her sustenance to the cause of education to all classes within its borders—there has been in the last 20 years a continuous and steady reduction of the percentage of illiteracy in all the southern states and among all classes and races of the people.

In general progress the South has lost many of the features of its provincialism for which it has been criticised. It acknowledges the dignity of manual as well as mental labor and regards all labor as pursuing an honorable calling.

It may be said with reference to present crop conditions in the South that they are not promising yet not discouraging. The unusually cold and backward spring has delayed farming operations, yet it is a fact that with a prudence born of the South's varied experience, it has not been the poor crop years which have been the disastrous years. It has been the flush times rather than the dull times which have inflicted us with commercial failures, due to over trading. So your association should meet this prudence of the South, which is a quality developed in the school of its severest experience with proper conservatism in the extension of credit. If you do, all will be well. Warmth, sunshine and favorable seasons for the balance of the year is all that is needed by the farmers of the South today in order to harvest not a bumper crop but one which will enable us to meet our obligations and maintain our progress.

The South has caught the inspiration of the age, and while in its population it has a greater percentage of the Anglo-Saxon element than have other sections, still there is a breath of tolerance which adds a tingle of the cosmopolitan to her hospitality and to her social life. A new healthful and patriotic change has come over southern sentiment and thought, so that he who would know the South today as well as judge of the South of the future should no longer search the Congressional Records or the political expressions of her orators, but study the utterances of her men of affairs and of her educators.

This change is due to a closer contact with the world than the South formerly knew and to the increase of the public libraries in the cities and larger towns which have not only brought scope of information but depth of knowledge to its people.

Just as the skill of the British artisan and mechanic did so much for

England as well as for Europe in the crisis of its destiny during the Napoleonic era, so it has been the patriotism and foresight of the commercial classes of the country, which gave the first aid to the South in the composition of that glorious epic of progress, which it has written in the life of its affairs and its development while the continued intercourse and association of the merchants and capitalists of the country has done much to cement the sections and to give the inspirations of hope, of confidence and of courage to southern thought and energy.

All this has produced a marked change during the last ten years in the business life and the political thought of the southern people, so that their views with respect to the character and structure of our governmental institutions are drifting away from those of Luther Martin, Thomas Jefferson and John C. Calhoun, and towards those of Gen. Washington, Chief Justice Marshall and Alexander Hamilton.

Thus in every field of thought and activity, in all the affairs of life, there has been a great and general awakening in the South, so that her people can adopt today the patriotic and devotional sentiments so beautifully expressed in Whittier's Centennial Hymn.

"Our Father's God; from out whose hands
The centuries fall like grains of sand,
We meet to-day, united, free,
And loyal to our Native land and Thee;
To thank Thee for the era done,
And trust Thee for the opening one."

(Applause.)

President Fessenden—We will now listen to the report of the Investigation and Prosecution Committee, A. C. Foster, Chairman. (Applause.)

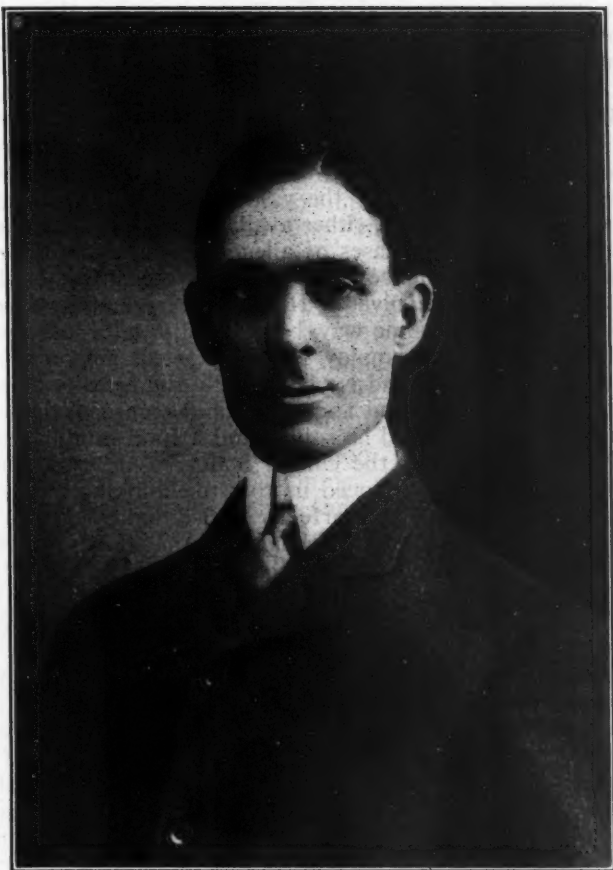
The report was read by Mr. Foster, as follows:

Report of the Investigation and Prosecution Committee.

To the President and Members of the National Association of Credit Men.
Gentlemen:

During the year 1903 the Board of Directors of the National Association of Credit Men passed a resolution to discontinue operations under the investigation and prosecution fund so far as the undertaking of new cases was concerned. This action was subsequently ratified by the National Association of Credit Men in convention assembled and each local association was urged to create a fund for the investigation and prosecution of fraudulent failures. When the decision in favor of the transfer of this work to local associations was made there were several unfinished cases, all of which have since been disposed of with the exception of the one known as the Felson case. A history of this case was briefly given by the committee last year in its report in which it was stated that a new trial had been made necessary by reason of the fact that the jury had disagreed. It is expected that the Felson case will be retried and finally concluded between now and the early fall.

An account of the Felson case will be found in the April, 1907, number of the Bulletin, being article 5 of the series by Gustavus Myers, entitled, "History of the Prosecution of Bankrupt Frauds." There is no question that if wide publicity is given to such vigorous work on the part of creditors as is here illustrated it will have a deterring influence. Your committee therefore urges upon each member that whenever his attention is called to a case of prosecution of fraudulent failure, as full details as possible be gathered and forwarded to the National office for publication in the Bulletin.



*Director and Chairman
Investigation and Prosecution Committee*

A. C. FOSTER
United States National Bank, Denver, Col.

For several years past a number of associations throughout the country have operated with satisfactory results a fund for the prosecution of fraudulent failures. Since the first of January, 1907, the associations at Cleveland and Columbus have taken steps in this direction and at least two other associations are now seriously considering the raising of a fund.

During the past year your committee has directed its efforts mainly toward stimulating interest in the establishment of funds for the prosecution of fraudulent debtors in cities where none had previously existed, and to this end has corresponded with the president or secretary of each local association. From communities where no fund had ever been created the expressions received were practically unanimous for the adoption of some comprehensive plan by which fraud cases could be thoroughly investigated, but indifference on the part of the members, or their lack of knowledge as to the benefits to be derived from having such a fund has made it difficult for your committee to secure much in the way of direct results. It is the judgment of your committee that it is necessary to inaugurate a system of education which will bring directly to the attention of the business men of the country the value of having in each important trade center, a substantial fund, either available or pledged, to be used for the purpose of investigating cases of alleged fraud, and for prosecution without quarter or compromise where there is conclusive evidence that criminal wrong-doing is involved. If the officers and directors of the local associations could, in some way, be induced to take sufficient interest in this subject to appoint or employ some competent person to visit each member, so far as practical, and explain briefly the benefits to be derived from having a prosecution fund and solicit and secure pledges to it, the problem, in our opinion, would be solved and a fund established in practically every important city in the United States. Our study and investigation of this subject has convinced us that the thinking and substantial business men of this country are perfectly aware that the losses sustained through dishonest failures are not abating and that they are keenly alive to the justice and wisdom of punishing those who fail dishonestly, but the initiative seems to be almost totally lacking and comparatively few have been found who are willing to devote any time or work toward correcting this pernicious and expensive condition. From the standpoint of sound business judgment, self-preservation and good morals, it is our duty as credit men and good citizens to make a united stand against the piracy of the commercial crook. Any system or plan which can be devised to lessen the plundering invasion upon the purse and peace of mind of the business men of this country by swindlers who lie, deceive and enrich themselves upon confidences betrayed, will meet with the unqualified endorsement and active support of every member of your committee, but after having given the subject a great deal of thought, we are convinced that the only practical plan is to have created an investigation and prosecution fund in every important trade center. This plan has many advantages, among which may be mentioned:

First: The coöperation of all the subscribers to the fund, thereby guaranteeing that any case undertaken will be criminally prosecuted without fear of its being weakened or annulled by the acceptance of a compromise settlement by the creditors.

Second: With the management of the fund in the hands of a committee composed of substantial business men, it is made certain that no case will be undertaken except upon proper evidence of fraud and that any money used will be carefully and intelligently disbursed.

Third: It enables the creditors to join forces, which of necessity greatly lessens the work, reduces the expense individually and renders the prosecution more effective and far-reaching.

Fourth: Practical experience has demonstrated that the mere existence in a community of a fund for the prosecution of fraudulent debtors, if widely advertised, will prevent many dishonest failures which otherwise would occur. This is a statement upon which we wish to place especial emphasis, because in our opinion the prosecution fund is fully justified, and will repay the trouble of creating it, if it serves no other purpose than to act as a club over the head of the dishonest debtor.

The usual procedure in cases of fraudulent failure is to secure as much evidence of an incriminating nature as possible and present the facts to the prosecuting officials. In years gone by it was customary for many cases of alleged fraud to be reported to the public prosecutor, often, however, only as a means of forcing a settlement. This practice grew to such an extent that in many parts of the country it was almost impossible to secure the coöperation of the authorities.

Conditions have now somewhat changed, at least so far as cases in which the National Association or the local associations are concerned, for the prosecuting attorneys have taken it as an accepted fact that in any case coming through them there will be no settlement out of court.

The prosecution of fraudulent failures is now somewhat simplified by the fact that in the majority of States a conviction is more easily obtained under the bankruptcy law than ever before, for under this law not only can a defendant be examined, but also his relatives or any one suspected of being implicated in a fraud case.

Your committee offers the following resolution:

"Whereas, The National Association of Credit Men stands for the highest standard of probity and fair dealing in commercial transactions and is unalterably opposed to fraud, and;

"Whereas, The business interests of this country require that all insolvency cases should be searchingly investigated and offenders vigorously prosecuted when fraud is indicated, and;

"Whereas, It appears that this department of work can be best administered by the local associations; therefore be it

"Resolved, That the National Association of Credit Men in convention assembled reaffirms its belief that each local association should create a prosecution fund on a guaranty or cash basis, as each may prefer, and to administer the same, and further

"Resolved, That the Secretary of the National Association of Credit Men be and is hereby instructed to urge each local association, having no prosecution fund, to call or hold a meeting of its members at which the special order of business shall be the discussion and, if possible, the organization of a fund for the investigation and prosecution of fraudulent failures."

Respectfully submitted,

C. D. GRIFFITH,
KARL K. MAYER,
C. F. FREELAND,
J. F. DOWNER,
A. C. FOSTER, *Chairman.*

Hugo Kanzler, of New York—Apparently a little joker has entered into the first preamble of this resolution; and in order that this convention may not be charged with an elongated conscience, I move that the word "unalterably" be stricken out in the first preamble of the resolution, last line.

President Fessenden—Do you move the adoption of the report except that?

Mr. Kanzler—I do.

Seconded.

F. S. Evans, of Philadelphia—I hope the committee of this convention will go on record at once “unalterably.” I think we are “unalterably” opposed to fraud, and I think we should so state it. It is true that we do not want to do all things “unalterably,” because it rather puts us in a hole, but I think we should be “unalterably” opposed to fraud, and let us have the word once used for what it means.

G. B. Hill, of Pittsburgh—I think it goes without saying that we are “unalterably” opposed to fraud, but I think it is unnecessary and superfluous to so state.

President Fessenden—The question is on the adoption of the report as amended by Mr. Kanzler.

The amendment was lost.

Mr. Hill—I move the adoption of the report including the resolutions, as read.

Motion seconded and carried.

President Fessenden—The report and the resolutions are adopted.

Jacob Gazan, of Savannah—A recent experience I had in South Carolina has suggested the propriety of one or two practical ideas which I desire to submit for the consideration of the gentlemen present. I have in one case endeavored to secure a prosecution—have the man now under indictment in the Federal courts in South Carolina—but I am up against a proposition like this: One of the written statements upon which I based my hope of a successful prosecution is in the handwriting of some gentleman in the office of the firm who received that statement, and the bankrupt said that he did not give those figures, and not being in his handwriting I do not know how a jury may view it. I beg, therefore, to suggest that while the mercantile world desires to accommodate its customers in every respect, you do not go so far in your accommodations as to put down dollars and cents in your financial statement for the prospective customer, which he should have put down himself, in order that he may escape the penalty therefor. (Applause.)

Another thing is this: The fraudulent bankrupt endeavors by every means to avoid giving to his creditors any information possible—

President Fessenden—Has the gentleman a resolution to offer?

Mr. Gazan—I simply desire to give these two points in the open parliament.

President Fessenden—That business is past, but by unanimous consent we would be glad to have you go along, but my attention has been directed to it and the Chair must rule.

Mr. Gazan—Very well, I will subside.

President Fessenden—The next business before you is the report of the Committee on Credit Coöperation, A. E. Clerihew, Chairman. In the absence of the Chairman, H. A. Boardman will read the report.

The report was read by Mr. Boardman as follows:

Report of the Credit Coöperation Committee.

To the President and Members of the National Association of Credit Men.
GENTLEMEN:

The National Association of Credit Men has since its organization repeatedly given expression to sentiments favoring the exchange of credit in credit matters. At the convention of 1906 an amendment to the Conventions of 1904, 1905 and 1906 strongly endorsed the idea of coöperation

in credit matters. At the convention of 1906 an amendment to the Constitution was adopted which added to the standing committees of the association a committee on Credit Coöperation. The duties delegated to this committee were contained in resolutions adopted at the convention, the spirit of which was interpreted by the committee to mean a continuance of the association's policy of encouraging affiliated branches to organize local bureaus for the exchange of credit information and also to bring about a closer relationship between credit bureaus. Your committee has endeavored to fulfil the task assigned to it, and for that purpose has carried on a voluminous correspondence, not only within our own organization, but with other associations who have exhibited interest in the development of this important feature of today's business methods.

During the year there has been a substantial increase in the number of credit bureaus operated by local associations affiliated with this organization, and others are in the process of formation. Time will not permit of more than a general review of the work as we find it today.

For the benefit of our membership at large we will describe briefly the two systems used, both of which have their strong points and meet fully the expectations of those using them.

First, there is the card system, which is used by the Louisville association, the members of which send to the secretary a list of their customers' names; for each name reported a card is prepared, containing, besides the name and address, a number, which indicates the reporting member. Investigations are conducted by members personally, by obtaining from the credit bureau the numbers of the interested members, who are then called upon for information.

The other system we will designate as the Denver plan; it consists of the gathering and distributing of credit information on any party, upon request of a member. Reports issued under this plan represent a transcript of the account reported on, taken from the ledgers of all the members having it. As an exemplification of the benefits to be derived through the exchange of credit information, your committee points with pride to the relationship existing between the members of the associations at Minneapolis and St. Paul, both of which associations are represented on this committee. These two associations are operating jointly a credit bureau which receives yearly upwards of 24,000 inquiries and issues on an average of ten reports against each inquiry. The average cost per member is 31 1-2 cents for each inquiry or 3 1-2 cents a report. The members have given honest and loyal support to this work and the cases where the reports have failed to disclose the information sought have been so few as to render comment unnecessary. Thus we find the merchants of two representative cities, popularly known as the "twin cities," whose interests are almost identical, competing for the same trade and at the same time protecting their interests through the exchange of credit information.

"Coöperation has taken the place of competition as the life of trade."

A special meeting was held at the Baltimore Convention for the purpose of discussing plans which might lead to more intimate relationship between the different credit bureaus. Some of those present favored the consolidating of all the bureaus into one. Your committee has carefully considered this question and expresses the opinion that such a plan is not practicable, first because of the expense, second that such an organization would fall to pieces of its own weight, and third the delay in obtaining information would be too great for much practical benefit. We would, however, strongly recommend that different local bureaus interchange information upon such terms as the directors of each may prescribe.

It has been the policy of the National Association, since its inception, to keep itself free from entangling alliances with any outside body. We feel that we cannot too strongly urge our local bureaus against allying themselves with any outside commercial proposition.

The reporting bureaus are of great assistance to the adjustment bureaus, and at the Cleveland conference it was strongly recommended that all affiliated branches consider this most important adjunct to that phase of our work.

Several trade organizations have recognized the importance of our work in the line of credit coöperation by giving public expression of their approval; thus we find the Wholesale Saddlery Association recommending to its members "that the members of this Association associate themselves with a local credit men's association, which shall have as one of its objects the exchange of credit information between its members."

From a canvass of the work conducted by the committee we learn that splendid progress is being made; the credit bureaus are used more than ever and better results are being obtained. This all leads to a greater degree of enthusiasm in this part of the work of this organization.

We therefore heartily recommend that each local association consider the question of establishing a bureau for the exchange of credit information among its members.

The following resolutions are respectfully offered:

"WHEREAS, The value of the exchange of credit information is clearly recognized by the members of the association, therefore be it

Resolved, That the National Association of Credit Men in convention assembled again expresses itself as heartily favoring a broad and liberal policy on the part of its members and others in dealing with this important subject, and be it further

Resolved, That we urge the members of local associations now operating bureaus for the exchange of credit information to give their cordial support to this phase of association work, to the end that their best interests may be served through this highest form of credit information, and be it further

Resolved, That we strongly advocate the continued development of this progressive movement by the establishment of like bureaus by other local associations."

We extend our thanks for the many favors which have been shown us.

Respectfully submitted,

H. A. BOARDMAN,
A. B. DRISCOLL,
W. T. ATWATER,
B. W. HOW,
A. E. CLERIHEW, *Chairman*.

H. D. Hudson, of Minneapolis, moved the adoption of the report as read, including the resolutions.

Motion seconded and unanimously carried.

President Fessenden—The report in its entirety, including the resolutions, is adopted.

Ben Lindauer, Nashville, Tennessee—Is not the next order of business open parliament?

President Fessenden—I stand corrected. Yes.

Mr. Lindauer—I wish to offer the following resolution:

Resolved, That this convention advise all credit men to keep a memorandum of such houses as give full and satisfactory information,

also such as answer evasively and unsatisfactorily to credit inquiries, and then reply to such houses in the same manner, thereby causing and encouraging the making of more satisfactory and fuller replies and making the exchange of information mutual, as it should be."

(Applause.)

I wish to offer a little explanation and to say that I think it is one of the most important matters before credit men. There is not a credit man who has failed to experience the trouble of getting much hot air and few facts in response to an inquiry. You will all remember, when you have had on hand orders over which you have worried, when the firm was anxious to have them filled, and on investigating you received a reply consisting essentially of hot air from one agency, and a reply from another not much better, so that you have been obliged to rely on what you get from the trade; and I must say that there are too many houses today which exert all the genius they have in answering inquiries so as to give the least possible real information. There are houses innumerable that call for information, but when requested to return the favor, instead of bread they give you a stone.

Now I have practised the plan indicated in the resolution, for five years, and have found it highly satisfactory. I keep an index, and when I get a reply from a house that is full and satisfactory, I mark that name down "full, satisfactory and good." When I get one which is short in its response, I give the sender the same medicine; and I have accumulated a list of correspondents all over the country, and upon the responses of some I can rely absolutely in filling or rejecting orders, while there are a great many others whose replies are absolutely worthless.

Now, some of you will probably say, well, every house can take care of itself. Well, every house cannot. The larger houses, I think, can take pretty good care of themselves, but the smaller ones cannot have the influence for this reason: a large house will say, well, if you don't care to give us information, we can get along without you. The house that has the advantage is the house in a certain district which does a local business. They know the trade thoroughly and their information is valuable. I believe today that millions of dollars are lost by credit men all over the country, simply because they cannot get the facts. You will get a report "Highest credit \$700, owes \$200, fair pay." That appears satisfactory, but there may be a great deal behind it; and I simply want to mention a few instances to show how it works. Now, about a year ago we received two inquiries in the same mail from St. Louis on a party in our section. One was from a drygoods house on an order for \$1,100. The other was from a hat house for a little over \$400. I looked at the index, although I did not need to look at it—I knew the houses very well. The drygoods house was down as "clever and full," I wrote them a letter and replied: "We don't sell this party, but advise you to keep your hands off." I looked up the hat man: He was down "Short and unsatisfactory." I instructed the bookkeeper just to answer him: "We don't sell this party." In about 90 days the party broke. I then made it a point to look up the list of creditors. The drygoods man was not there, but the hat man was there for about \$400. (Laughter.)

I simply want to say that you will save yourselves a great deal of money by adopting my plan.

I made an inquiry from a certain Cincinnati house, and they answered it in blue pencil. They scribbled off something that I could not decipher, and I submitted it to the entire office force. Well, after worry-

ing over it for about ten minutes they thought they had solved it. I said, "Put that in the index and we will lay for that house." It was not more than ten days before we got an inquiry. I took personal pleasure in answering it. I also found a blue pencil, and when I had the answer written I submitted it to the office force, and there was not one in the office that could tell what it was. (Great laughter.) I will assure you that we have not had any trouble from that house since.

Now, there is another case. I had one St. Louis house that invariably held up our inquiries for a week. Well, when you are anxious to fill an order you do not like to wait for a week. So I made a note of that and I instructed the bookkeeper that when we got an inquiry from that house he should put it in the tickler and hold it for a week. I am glad to say that it was not long before we got an inquiry. I did not answer, and they sent me a telegram: "Why no answer. Answer quick." In due time I wrote them: "Your inquiry received on the 10th, was answered on that day, but filed to be mailed on the 17th. Our rule is to treat all houses exactly as they treat us. You have been holding up our inquiries for a week. The reply will reach you on such and such a day." I assure you that that house has been cured. (Laughter.)

Now, there is one more case—well, there are a great many, but I only mention those that I can call to mind readily. There is a large shoe house in St. Louis— (Laughter) well, no, it is not so very large. I do not believe it is the one you are thinking of. (Great laughter.) But the credit department there will write you a very polite letter, a page long, and ask you to give them all the information you can, tell them what your experience has been with the party about whom inquiry has been made, etc. Well, that is all right, as far as it goes; but when you call upon them you get a very short reply, and every solitary reply comes "fair pay." I do not know whether you will recognize that—"fair pay"—but I have been receiving it for years. I have sent out ten blanks and nine of the ten would come back: "discounts and anticipates." But this same shoe house would be "fair pay" every time. Its replies were not worth the paper they were written on; and the only satisfaction I have is, that the house sells in my section, and I could give them ten times more information than they give us; but it almost hurts my conscience to get their inquiries in cases where I know the whole history of the man; because we get statements continually, and could give them a report better than Dun's or Bradstreet's, and instead of that I simply give them a little hot air—I am almost ashamed of it—but I am compelled to do it in self defense.

Now, I believe that if this idea permeated the entire country, not only this body—because this association contains only a small representation of the credit men—but credit men everywhere, and if they were keeping tabs on every concern which made inquiries of them, you would find a tremendous improvement in the information you get.

Of course this ought not to apply to small, trifling orders, and we ought not to be bothered with requests for information about the standing on such orders, but it is the duty of the credit man himself when he sees an inquiry coming in for a large amount, a good big order, it is his duty to put himself in the position of the credit man seeking the information, and give the full facts, expecting, of course, that the same courtesy will be extended to him in turn.

And I will tell you what my plan has accomplished. I today have houses on my list upon whom when I am in a tight pinch—that is, when I have received a whole lot of information and it is not worth anything—I can call—and I simply send them a telegram, if it happens to be the

market that that man trades in principally; and the result is I get the true history of the man. In return when they call upon me, and I don't know the party, I canvass the entire city and give them everything I can get; and I know it has saved many a dollar to both sides.

My object is to ventilate this matter so that the credit men all over the country will realize the fact that their replies are being watched; and I believe it will result in an enormous amount of good.

There are today too many houses that are foxy—any amount of them. They think they are smart. They simply call for all the information they can get, and they give just as little as possible.

Charles L. Bird, of Boston—I do not think the gentleman who has so ably advocated his resolution ought really to ask this convention, in its dignity, to order its members to do those things which the gentleman himself admits he has done with some little shame. (Applause.) There is an injunction to the effect that when smitten on the right cheek, it is our duty to offer the other also, and while it is not always practicable to fulfil this injunction, certainly we ought not to be asked to resolve that our members disregard it altogether.

Mr. Lindauer—I would like to reply to the gentleman and say that I am not ashamed of the course I have taken. I intend to continue it, for I consider it an absolute success. It has proved to be such. The reports that I have received under this plan have been very satisfactory. As far as being smitten on one cheek is concerned and then turning the other, if a man pursued that course in my part of the country he would not have any cheek left.

A. N. Ritz, of Milwaukee—I simply want to say that the credit man has a right to give information as he pleases, but I do not think this convention ought to go on record as adopting and backing up a rule that two wrongs make a right, and I hope the convention will vote this resolution down.

Motion made, seconded and carried that the resolution be tabled.

President Fessenden—The resolution is tabled.

The report of the committee on Bankruptcy Law and Legislation will be read by Mr. Barclay in the absence of Mr. Tregoe. (Great and continued applause.)

Mr. Barclay—On behalf of that prince of good fellows, Harry Tregoe, who is the Chairman of this committee, and to whom this kindly reception is due, I thank you.

Report read by Mr. Barclay is as follows:

Report of the Committee on Bankruptcy Law and Legislation.

To the President and Members of the National Association of Credit Men.

GENTLEMEN:

At the convention of last year the association gave favorable consideration to a resolution which provided that the Special Committee on Bankruptcy Law and Legislation should thereafter be numbered amongst the standing committees and as such your committee now presents a report of the duties it has been called upon to perform. This report must necessarily cover a period antedating the time of the appointment of the committee as before mentioned and beginning with the appointment of a special committee prior to the assembling of the 59th Congress.

During the 59th Congress the following bills providing either for the repeal or amending of the Bankrupt Law were introduced:



Chairman
Bankruptcy Law and Legislation Committee
J. HARRY TREGOE
Baltimore, Md.

REPEAL BILLS.

December 6th, 1905	S.	416	Introduced by	Mr. Dolliver, Iowa.
December 4th, 1905	H.R.	76	"	Mr. Cousins, Iowa.
December 4th, 1905	H.R.	309	"	Mr. Kinkaid, Neb.
December 4th, 1905	H.R.	408	"	Mr. Clayton, Alabama.
December 5th, 1905	H.R.	3033	"	Mr. Bell, Georgia.
December 5th, 1905	H.R.	3153	"	Mr. Sims, Tennessee.
December 5th, 1905	H.R.	3156	"	Mr. Bowie, Alabama.
December 6th, 1905	H.R.	4476	"	Mr. Murphy, Missouri.
January 6th, 1906	H.R.	10692	"	Mr. Henry, Texas.

AMENDATORY BILLS.

December 11th, 1905	S.	1233	Introduced by	Mr. Foraker, Ohio.
February 27th, 1906	S.	4768	"	Mr. Spooner, Wis.
December 6th, 1905	H.R.	4478	"	Mr. Esch, Ohio.
December 6th, 1905	H.R.	4507	"	Mr. Bartlett, Georgia.
December 6th, 1905	H.R.	4528	"	Mr. Waldo, New York.
December 7th, 1905	H.R.	5298	"	Mr. Taylor, Ohio.
January 4th, 1906	H.R.	10140	"	Mr. Bennet, New York.
January 20th, 1906	H.R.	12595	"	Mr. Palmer, Penn.
February 2d, 1906	H.R.	13843	"	Mr. Brownlow, Tenn.
February 19th, 1906	H.R.	15089	"	Mr. Palmer, Penn.
May 8th, 1906	H.R.	19074	"	Mr. Jenkins, Wisconsin.
May 15th, 1906	H.R.	19311	"	Mr. Kennedy, Neb.
December 5th, 1906	H.R.	21195	"	Mr. Russel, Texas.
December 6th, 1906	H.R.	21388	"	Mr. Henry, Texas.
December 19th, 1906	H.R.	23019	"	Mr. Dalzell, Penn.
January 7th, 1907	H.R.	23582	"	Mr. Bennet, New York.

All these bills found their way to the Judiciary Committee of the respective bodies.

S. 4768 introduced by Senator Spooner, and H. R. 15089, introduced by Representative Palmer, were identical, having been prepared by a committee representing the National Association of Credit Men and other organizations interested in strengthening the bankrupt law. During the first session of the 59th Congress your committee was able to arrange for a hearing on H. R. 15089. The hearing was attended by upwards of one hundred members of this organization and an earnest appeal was made for the passage of the amendments favored by the association and a vigorous protest was entered against the repeal of the law. Your committee made persistent efforts during the balance of the session of the 59th Congress to have action taken upon H. R. 15089, but owing to changes in the personnel of the Judiciary Committee of the House they decided to abandon further efforts, being confident that the association had created sufficient sentiment on the part of the business interests of the country to convince the members of Congress that the repeal of the bankrupt law meant a serious disturbing, if not an actual overturning of the existing methods of credit granting.

Congress adjourned without taking action upon any of the before-mentioned bills except H. R. 4478 and 5298 which measures were identical. These bills provided that salesmen should be placed in the same category as other employes by allowing them a preference for salary earned within three months before the date of commencement of proceedings, not to exceed three hundred dollars to each claimant. This amendment was adopted.

During the period of your committee's efforts, it has received the support of many organizations and individuals, and the association can

rely upon further support from the same direction. Your committee considers it unnecessary to enter into a general discussion of the different phases of the bankrupt law and its administration, contenting itself with emphasizing the fact that the business conditions of today, when the merchants of the principal business centers are extending credit to the merchants of every State, demand the continuance of a uniform insolvency law. Upon our members, whose interests are affected by the quality of the administration of the law, let us urge a personal interest not only in the enforcement of the provisions of the law and its economical administration but in its strengthening to the end that the best interests of all may be conserved.

Your committee offers the following resolutions:

"WHEREAS, The act commonly known as the Bankruptcy Act, has now been in force for the period of nearly nine years during which time this association has watched, with great care, its operation and administration throughout the entire country, and, through its officers, has made careful study of the decisions of the courts and the actions of the referees in its application and of the benefits accruing therefrom; and

"WHEREAS, After such careful study, and a comparison of the present conditions in the commercial world with those formerly existing under similar laws, it is the sense of this association that the present law while not entirely perfect is of great advantage to the business world generally; now, therefore, be it

"Resolved, That this association does unqualifiedly signify its approval of the present Bankruptcy Act as the best law yet obtained; and be it further

"Resolved, That this association pledges its influence and support to any movement that may be undertaken by any body, commercial or otherwise, for the improvement of said law by amendment or for the improvement of the administration thereof; and be it further

"Resolved, That the officers of this association be authorized and empowered, for and on behalf of the association, to combat any movement that may be undertaken for the repeal or the abolition of the present Bankruptcy Act."

Respectfully submitted,

J. R. AINSLEY,
J. H. SCALES,
GEO. R. BARCLAY,
FRANK S. EVANS,
J. HARRY TREGOE, *Chairman.*

Motion made, seconded and unanimously carried that the report including the resolutions be adopted.

President Fessenden—The report and resolutions are adopted as read.

S. F. Miller, of Baltimore—I move that in the interests of the business community copies of this report and resolutions be printed, and one forwarded to each Senator and Congressman of the United States.

Motion seconded and unanimously carried.

President Fessenden—It is so ordered.

The next order of business is the report of the special committee on settlements made by fire insurance companies in connection with the San Francisco disaster. Arthur Parsons will read the report. (Applause.)

Arthur Parsons, of Salt Lake City—I am not informed as to the reason for the absence of Mr. Witherspoon, the Chairman of this Committee, but I desire to say that the great burden of preparing this report

fell upon his shoulders, as the members of the committee were somewhat widely scattered. He being nearest to the point of observation did most of the work.

Report read by Mr. Parsons is as follows:

Report of Special Committee on Settlements Made by Fire Insurance Companies in Connection with the San Francisco Disaster.

To the Officers and Members of the National Association of Credit Men.

Gentlemen:

At the last annual convention of the National Association of Credit Men, held in Baltimore, Maryland, the following resolutions were passed:

"WHEREAS, The disaster that has recently occurred in San Francisco presents for the consideration of the insurance men problems which they have never had to deal with before; and,

"WHEREAS, It is reported that the ablest insurance adjusters in the United States will be called to San Francisco to adjust the insurance losses suffered by the people there; and,

"WHEREAS, It is for the interest of the business community of the United States that it be kept informed of the proceedings taken by the adjusters of the various companies in adjusting those losses;

"RESOLVED, That this Association appoint a committee of five, whose duty it shall be to inform itself of the adjustments made by the various insurance companies carrying policies in San Francisco, to the end that this Association may be fully informed as to the insurance companies which deal justly and liberally with the people of San Francisco in the adjustment of their losses.

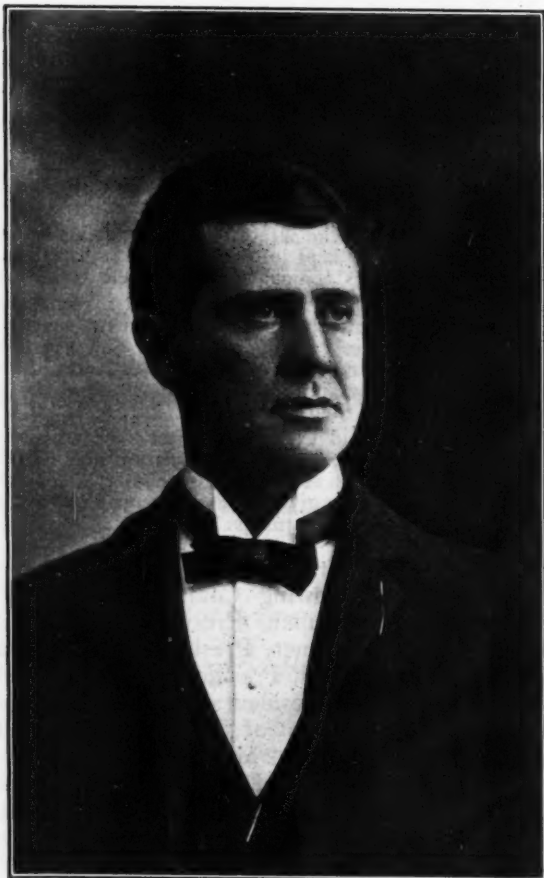
"RESOLVED, That said Committee, after such adjustments have been made, report its findings to this Association and that a copy of such findings be sent to every Association of Credit Men in the United States, that due credit may be given to those companies to which credit is due for just and prompt adjustments."

In accordance, with the foregoing resolutions the President of the Association appointed the following Committee to carry out its provisions: G. Witherspoon, Chairman, President of Los Angeles Credit Men's Association; Gustav Brenner, President of San Francisco Credit Men's Association; A. H. Devers, President of Portland Association of Credit Men; George F. Telfer, President of Seattle Credit Men's Association and Arthur Parsons, President of Utah Association of Credit Men.

The Committee called to its aid Mr. W. T. Craig, Attorney for the Los Angeles Credit Men's Association, which association offered the resolutions passed by the National Association. Mr. Craig spent some time in San Francisco investigating insurance conditions, and his assistance was of greatest value to the Committee.

The Committee in conjunction with Mr. Craig, has kept in constant touch with insurance adjustments since the great fire in San Francisco, has made investigations on independent lines concerning the attitudes and claims of the various insurance companies, has examined the reports made by the Chamber of Commerce of San Francisco, the Insurance Commissioner of California, the various insurance reporting bureaus, and the insurance companies themselves. Special use has been made of the report compiled by Professor A. W. Whitney, of the University of California for the Chamber of Commerce of San Francisco, covering his conclusions reached after an examination of about ten thousand loss adjustments, and special use has also been made of Alfred M. Best Company's elaborate "Special Report Upon the San Francisco Losses and Settlements."

Your Committee has purposely delayed the filing of this report,



Chairman
Special Committee on San Francisco Fire Settlements
G. WITHERSPOON
R. L. Craig & Co., Los Angeles, Cal.

deeming it wise to wait until the mode of action of the various insurance companies could be fully determined and until the Committee was able to treat the whole subject with some perspective, in order that no injustice might be done, or wrong conclusion reached.

The conflagration that destroyed a large portion of San Francisco, followed a severe earthquake, which occurred at 5.13 o'clock on the morning of April 18, 1906. The fire continued for three days. An area of about 4.7 square miles, or about three thousand acres, covering 520 city blocks, was completely devastated. Upon this had stood about 25,000 buildings. Of these about 12,500 were occupied as dwellings, and about 12,500 were used for business purposes. The loss entailed by the fire directly and indirectly has been estimated at from \$850,000,000 to \$1,000,000,000. Of the property destroyed, about \$350,000,000 in value carried insurance to the amount of about \$225,000,000. This insurance was written in no less than 100,000 separate policies.

The magnitude of the conflagration dealt a stunning blow to both insured and insurers. Conditions arose which had never existed before in the history of fire insurance, and these conditions called for the exercise of faculties on the part of the insured and insurers that were extraordinary. These were a few of the perplexing problems that confronted the insured and insurers. In many instances the policies of insurance were burned; many of the insured did not know the names of the companies in which they carried their insurance; no forms for proofs of loss were obtainable; great numbers of the insured were ignorant of the necessity for and contents of a proof of loss; in most cases the books and records necessary to prove the loss had been destroyed with all the rest of the insured property; in many cases the records of the insurance companies were totally destroyed; many of the insurance representatives did not themselves know whether their companies were solvent or insolvent, or whether the companies were to pay losses caused by dynamiting, or what the exact extent of the earthquake loss was. To these problems is to be added one that made the task of the insuring companies especially perplexing, for, many of the reinsuring companies served notice that they would not pay the companies reinsured beyond their strict legal liability.

It is needless to detail all the steps by which order was brought from chaos in insurance matters. An attempt was made to organize an adjusting bureau composed of all the companies. In a very short time the people of San Francisco began to discover the difference between companies in the methods of adjustments, disposition to adjust and results of adjustments. Indignation and protest arose, and policyholders' leagues and other associations were formed to protect policyholders from unjust settlements. Associations of merchants adopted resolutions condemning the practices of some companies. The resolution of the National Association of Credit Men, cited above, was given the greatest publicity, and, while violent resistance was used by a few insurance companies against these demonstrations, it is certain beyond all doubt that they resulted in greatly helping the people of San Francisco to obtain better adjustments.

However, while recognizing the results of these efforts, we are bound to emphasize the fact that the people of San Francisco received their greatest aid in obtaining honest and liberal adjustments, from honorable and fearless insurance companies which refused to be parties to agreements for arbitrary deductions, and which paid their losses amounting to millions of dollars in a spirit of liberality and honesty.

The purpose of this report is to give commendation to those insur-

ance companies which did their duty in the face of staggering financial losses, thereby compelling companies which were inclined to resort to dishonest and tricky means of adjustments, to change their methods that they might save themselves from the condemnation sure to follow.

In judging the actions of some companies in adjusting their losses, consideration should be given to the fact that careful experts have estimated the earthquake damage in San Francisco as not exceeding three per cent. of the total damage. Further the fact should be considered that while the people of San Francisco did not object to a small discount for immediate cash payment, in many cases the companies themselves caused great delay in making the adjustments and then demanded deductions, proper only in the case of immediate payments. It should be noted again, that deductions made by the companies were not from the face of the policy, but were from the adjusted loss. Small deductions for cash were considered justified, as in many instances this meant to the insurance company a sacrifice of its assets in order to procure the ready money. The following six companies paid their losses promptly upon adjustment without asking cash discount: Aetna Insurance Company, Hartford, Conn., California Insurance Company, San Francisco, Cal., Continental Insurance Company, New York, N. Y., Liverpool & London & Globe Insurance Company, Liverpool, Eng., Queen Insurance Company of America, New York, N. Y., and Royal Insurance Company, Liverpool, England.

We should fail in our duty, and lose an excellent opportunity to point the way to avoid a repetition of this unfortunate disaster, unless we brought out clearly the lessons to be learned from it.

The San Francisco fire has demonstrated the fact that too little attention is paid to insurance matters by the insured. It has demonstrated that it is as important that a merchant know the conditions of his policy and the standing of the company in which he carries his insurance, as that he know any other vital detail of his business. It has demonstrated that the wise merchant will no longer allow his insurance agent to place his policies wherever the agent sees fit, and without reference to the standing of the companies, their ability to pay, or the past record of their adjustments.

It has demonstrated the importance of preserving uniformity in the conditions of policy contracts.

Your committee hopes that the resolution passed at the last annual Convention of the Association will be carried out to the letter. It is due to the insurance companies which paid in full their vast losses in San Francisco to give them the financial aid and encouragement of our business as a recognition of the uprightness of their dealings and as an appreciation of the sacrifices they have made. We have gone to the greatest pains in our investigation of the payments made by the large number of companies paying losses in San Francisco. We have endeavored with great care to do no injustice to any company interested. There are numerous companies having small losses that we have not mentioned in our report for the reason that we did not consider a company entitled to any great praise which paid a small loss in full.

We trust that this report will be treated as a practical guide for many years to come in the placing of insurance by the members of the National Association of Credit Men.

The following is a list of companies that, in the opinion of the Committee, should be placed on the

ROLL OF HONOR.

AETNA INSURANCE CO., HARTFORD, CONN., settled claims at 100 cents on the dollar without a discount for cash. Is entitled to high commendation. Gross loss was about \$4,200,000.

ALLIANCE INSURANCE COMPANY, PHILADELPHIA, PA., settled in full less 2 per cent. for cash. Gross loss was about \$1,300,000.

ATLAS ASSURANCE COMPANY, LONDON, ENG., settled claims in full less 1 per cent. or 2 per cent. for cash. Gross loss was about \$4,650,000.

CALIFORNIA INSURANCE COMPANY, SAN FRANCISCO, CAL., settled claims at 100 per cent. without cash discount. Gross loss was about \$2,550,000. The total assets of the company at the time of the fire were about \$450,000. Assessments were levied and paid by the stockholders sufficient in amount to pay losses in full and leave the original capital and surplus of the company intact. If other companies had emulated the California Insurance Company an impressive record would have been made in the annals of fire insurance.

CITIZENS INSURANCE COMPANY, ST. LOUIS, MO., settled in full less 2 per cent. for cash. Gross loss was about \$1,280,000.

CONNECTICUT FIRE INSURANCE COMPANY, HARTFORD, CONN., settled claims in full less 1 per cent. to 2 per cent. for cash. Gross loss was about \$3,360,000.

CONTINENTAL INSURANCE COMPANY, NEW YORK, N. Y., settled all claims in full without cash discount. This company merits high praise. Gross loss was about \$2,535,000.

GERMAN ALLIANCE INSURANCE COMPANY, NEW YORK, N. Y., settled claims largely in full less 2 per cent. for cash. Policies contained an earthquake clause but the company did not take advantage of this. Gross loss was about \$300,000.

GERMAN-AMERICAN INSURANCE COMPANY, NEW YORK, N. Y., settled claims largely in full less 2 per cent. for cash. Policies contained an earthquake clause of which the company did not take advantage. Gross loss was about \$4,050,000.

HARTFORD FIRE INSURANCE COMPANY, HARTFORD, CONN., settled in full less 2 per cent. for cash. Considering that the gross loss was the immense sum of \$10,275,000, the company is worthy of the highest commendation.

HOME INSURANCE COMPANY, NEW YORK, N. Y., settled promptly in full, less 1 per cent. to 2 per cent. for cash. Gross loss was about \$3,194,000.

INSURANCE COMPANY OF NORTH AMERICA, PHILADELPHIA, PA., settled claims in full less 1 per cent. to 2 per cent. for cash. Gross loss was about \$4,650,000.

LAW UNION & CROWN INSURANCE COMPANY, LONDON, ENG., settled claims in full less 2 per cent. for cash. Gross loss was about \$2,295,000.

- LIVERPOOL & LONDON & GLOBE INSURANCE COMPANY, LIVERPOOL, ENG., settled in full promptly on adjustment without cash discount. This company deserves high commendation. Gross loss was about \$4,752,000.
- LONDON ASSURANCE CORPORATION, LONDON, ENG., settled claims in full less 2 per cent. for cash. This company was also one of the heaviest losers. Gross loss was about \$8,291,000.
- MANCHESTER ASSURANCE COMPANY, LONDON, ENG., settled claims in full less 2 per cent. for cash. Gross loss was about \$350,000.
- MICHIGAN FIRE & MARINE INSURANCE COMPANY, DETROIT, MICH., settled claims in full less 2 per cent. for cash. Gross loss was about \$452,000.
- NEW HAMPSHIRE FIRE INSURANCE COMPANY, MANCHESTER, N. H., settled claims in full less 1 per cent. to 2 per cent. for cash. The policies contained an earthquake clause, but the company did not take advantage of this fact. Gross loss was about \$874,000.
- NEW YORK UNDERWRITERS' AGENCY, NEW YORK, N. Y., settled the same way as the Hartford Fire Insurance Company and its settlements are included in the figures given above for the latter company.
- NIAGARA FIRE INSURANCE COMPANY, NEW YORK, N. Y., settled in full less 2 per cent. for cash. Gross loss was about \$2,600,000.
- NORTH BRITISH & MERCANTILE INSURANCE COMPANY, LONDON, ENG., settled in full less 2 per cent. for cash. Gross loss was about \$3,980,000.
- NORTHERN ASSURANCE COMPANY, LONDON, ENG., settled claims in full, less 1 per cent. for cash. Gross loss was about \$4,187,000.
- PELICAN ASSURANCE COMPANY, NEW YORK, N. Y., settled claims in full, less 2 per cent. for cash. Gross loss was about \$524,000.
- PHENIX ASSURANCE COMPANY, LONDON, ENG., settled in full less 2 per cent. for cash. Gross loss was about \$4,370,000.
- QUEEN INSURANCE COMPANY OF AMERICA, NEW YORK, N. Y., settled in full promptly on adjustment, without cash discount, and deserves high praise. Gross loss was about \$2,157,000.
- ROYAL INSURANCE COMPANY, LIVERPOOL, ENG., settled in full promptly on adjustment without cash discount. Its loss was heavy, and the company is highly commended. Gross loss was about \$6,746,000.
- SCOTTISH UNION AND NATIONAL INSURANCE COMPANY, EDINBURGH, SCOTLAND, settled most of the claims made against it in full, less 2 per cent. for cash. Gross loss was about \$1,832,000.
- SPRINGFIELD FIRE AND MARINE INSURANCE COMPANY, SPRINGFIELD, MASS., settled claims in full, less .1 per cent. to 2 per cent. for cash. Gross loss was about \$2,150,000.

SUN INSURANCE COMPANY, LONDON, ENG., settled most of the claims against it in full, less 2 per cent. for cash. Gross loss was about \$3,122,000.

UNION ASSURANCE SOCIETY, LONDON, ENG., settled claims in full, less 2 per cent. for cash. Gross loss was about \$4,453,000.

WASHINGTON FIRE INSURANCE COMPANY, SEATTLE, WASH., settled claims in full, less 2 per cent. for cash. It suffered only a small loss, about \$91,000.

The following companies, while not included in the Roll of Honor, maintained a high average of payments and settled their losses to the satisfaction of their policyholders:

AGRICULTURAL INSURANCE COMPANY, WATERTOWN, N. Y., discounted some claims at first, but paid the bulk of them at a discount for cash of 2 per cent. to 5 per cent. Gross loss was about \$1,300,000.

AMERICAN CENTRAL INSURANCE COMPANY, ST. LOUIS, MO., settled most claims in full with a discount for cash of 2 per cent. to 5 per cent. but in some instances a larger discount was taken. Gross loss was about \$2,975,000.

AMERICAN INSURANCE COMPANY, NEWARK, N. J., began by discounting, but later paid in full less 2 per cent. for cash. Gross loss was about \$1,450,000.

GLENS FALLS INSURANCE COMPANY, GLENS FALLS, N. Y., settled most claims in full less 2 per cent. for cash, but some as low as 90 per cent. Gross loss was about \$1,502,000.

MERCANTILE FIRE & MARINE INSURANCE COMPANY, BOSTON, MASS., settled claims in full less 2 per cent. to 5 per cent. for cash. Gross loss was about \$1,118,000.

NEW ZEALAND INSURANCE COMPANY, AUCKLAND, N. Z., settled claims in full less 2 per cent. for cash. About one-fifth of its policies contained a strong earthquake clause and on these policies the company required a discount of 10 per cent. to 25 per cent. Its settlements, however, were considered liberal. Gross loss was about \$2,065,000.

PENNSYLVANIA FIRE INSURANCE COMPANY, PHILADELPHIA, PA., settled claims in full less 2 per cent. to 5 per cent. for cash. Its average of adjustments was high. Gross loss was about \$4,520,000.

PHOENIX INSURANCE COMPANY, HARTFORD, CONN., settled most claims in full less 2 per cent. for cash. Its policies contained an earthquake clause and the early claims were settled on the basis of about 75 per cent. The average of payments was good. Gross loss was about \$2,403,000.

PROTECTOR UNDERWRITERS, SAN FRANCISCO, CAL., made the same settlements as the Phoenix Insurance Company of Hartford, and its figures were included in the above figures for that company.

PROVIDENCE-WASHINGTON INSURANCE COMPANY, PROVIDENCE, R. I., settled claims largely in full less 2 per cent. to 5 per cent. for cash, but some settlements were made on a basis as low as 90 per cent. Gross loss was about \$1,330,000.

SECURITY INSURANCE COMPANY, NEW HAVEN, CONN., settled claims mostly in full less 1 per cent. to 5 per cent. discount for cash. A 90 per cent. basis of settlement was used in some cases. Gross loss was about \$551,000.

ST. PAUL FIRE & MARINE INSURANCE COMPANY, ST. PAUL, MINN., settled claims in full less 2 per cent. to 5 per cent. for cash. Gross loss was about \$2,156,000.

STATE FIRE INSURANCE COMPANY, LTD., LIVERPOOL, ENG., settled claims mostly in full less 2 per cent. to 5 per cent. for cash. Gross loss was about \$1,244,000.

TEUTONIA INSURANCE COMPANY, NEW ORLEANS, LA., settled claims in full less 2 per cent. to 5 per cent. for cash. Gross loss was about \$402,000.

The Committee reports the following as a list of the more important of the companies—not hereinbefore mentioned—which sustained losses in the San Francisco fire, with an estimate of the payments made by each company on its adjusted policies. The information and estimates as here given are as nearly correct as can be ascertained from the data at hand at this time. Companies which had only reinsurance losses are not included nor are companies having small losses.

AACHEN AND MUNICH FIRE INSURANCE COMPANY, AIX-LA-CHAPELLE, GERMANY, settled claims on a basis as low as 75 per cent., but paid 80 per cent. to 90 per cent. on many claims, and in a few cases more. It was reported to be able to pay claims in full. Gross loss was about \$4,060,000.

ALLIANCE ASSURANCE COMPANY, LONDON, ENG., had an earthquake clause in its policies. It paid claims at the rate of 50 per cent. to 75 per cent., according to location. It claimed to pay losses of \$500 or less in full and at least \$500 on claims of \$500 or more. Many claimants against this company sued on their policies. The stand taken by this company was considered unjust, and was generally condemned. Gross loss was about \$3,500,000.

AUSTIN FIRE INSURANCE COMPANY, AUSTIN, TEXAS, settled at 65 per cent. of losses and upwards, largely at about 75 per cent. Gross loss was about \$380,000.

AUSTRIAN PHENIX INSURANCE COMPANY, VIENNA, AUSTRIA absolutely denied liability, and without any excuse withdrew from the State and has paid no claims. The company deserves only condemnation. Gross loss was about \$2,400,000.

BRITISH-AMERICA ASSURANCE COMPANY, TORONTO, ONT., settled some claims at 85 per cent. and 90 per cent. but made payments largely in the form of one-third in cash at once, one-third in six months, and one-third in twelve months. Drafts were promptly paid on maturity. Its losses were heavy, and its settlements were considered just. Gross loss was about \$1,196,000.

BRITISH AMERICAN INSURANCE COMPANY, NEW YORK, N. Y., made its settlements after the same principle as the British-America Assurance Company, of Toronto. Gross loss was about \$217,000.

BUFFALO GERMAN INSURANCE COMPANY, BUFFALO, N. Y., settled claims at from 75 per cent. to 90 per cent. though it was reported to be financially able to pay in full. Gross loss was about \$351,000.

CALEDONIAN INSURANCE COMPANY, EDINBURGH, SCOTLAND, settled claims at from 75 per cent. upwards, but largely at about 90 per cent. Some settlements were as high as 98 per cent., but the average was low. Gross loss was about \$4,894,000.

CALEDONIAN AMERICAN INSURANCE COMPANY, NEW YORK, N. Y., settled on the same basis as Caledonian of Edinburgh. Gross loss was about \$876,000.

CALUMET, CHICAGO, ILL., settled on a basis of about 50 per cent. after its stockholders had subscribed to a special fund of \$500,000 to pay losses. Gross loss was about \$1,238,000.

COLONIAL UNDERWRITERS, HARTFORD, CONN., made the same settlement that the National Fire Insurance Company of Hartford made, and the figures are included below under the latter company.

COMMERCIAL UNION ASSURANCE COMPANY, Ltd., LONDON, ENG., had an earthquake clause in its policies. It settled claims on the basis of 50 per cent. to 75 per cent., according to location. It made the statement that it paid losses of \$500 or less in full, and at least \$500 on \$500 or more. It was reported to be financially able to pay in full and was sued on many policies. The stand taken by the company was considered unjust, and was severely criticised. Gross loss was about \$2,940,000.

COMMERCIAL UNION FIRE INSURANCE COMPANY, NEW YORK, N. Y., had the same policy contract as the Commercial Union of London and settled upon the same basis. Gross loss was about \$117,000.

CONCORDIA FIRE INSURANCE COMPANY, MILWAUKEE, WIS., settled claims at 75 per cent. to 90 per cent. though reported to be financially able to pay in full. Gross loss was about \$393,000.

COSMOPOLITAN FIRE INSURANCE COMPANY (See North German Fire Insurance Company of New York).

DELAWARE INSURANCE COMPANY, PHILADELPHIA, PA., settled claims at from 60 per cent. to 80 per cent., but largely at 75 per cent. Its ratio of settlement was poor. Gross loss was about \$1,000,000.

EAGLE FIRE COMPANY OF NEW YORK, NEW YORK, N. Y., settled mostly at 75 per cent. This company was very arbitrary, and was much criticised and withdrew from the State. Gross loss was about \$985,000.

ENGLISH AMERICAN UNDERWRITERS, HARTFORD, CONN., made settlement on the same basis as the London & Lancashire Fire Insurance Company and its loss is shown under that of the latter company.

FIRE ASSOCIATION OF PHILADELPHIA, PHILADELPHIA, PA., settled claims at 75 per cent. to 95 per cent. It was reported to be financially able to pay in full, but was severely criticised on account of arbitrary deductions. Gross loss was about \$2,459,000.

FIREMAN'S FUND INSURANCE COMPANY, SAN FRANCISCO, CAL., was the heaviest loser by the fire and was compelled to settle the claims of the Home Fire & Marine Insurance Company, amounting to \$2,700,000 and those of the Pacific Underwriters amounting to \$2,100,000 in addition to its own. It settled with claimants by paying 56½ per cent. cash and 50 per cent. in the stock of the company at \$500 per share, par value \$100, which was satisfactory to the claimants. The stock is now worth \$200. The settlement of this company was considered a remarkable financial achievement, netting the claimants an equivalent of about 75 per cent. cash and enabling the company to continue in business. The stockholders paid an assessment of \$300 per share. Gross loss was about \$11,500,000.

FRANKLIN FIRE INSURANCE COMPANY, PHILADELPHIA, PA., settled most of the claims against it on the basis of 75 per cent. to 90 per cent., but some of its claims at 98 per cent. The company was criticised for its arbitrary deductions. Gross loss was about \$2,123,000.

GERMAN FIRE INSURANCE COMPANY, PEORIA, ILL., had losses amounting to about \$900,000, which it settled on the basis of 50 per cent.

GERMANIA FIRE INSURANCE COMPANY, NEW YORK, N. Y., was another company which was severely criticised because of its arbitrary attitude and while reported to be in sound enough condition to pay all losses in full, chose to settle at 75 per cent. to 95 per cent., largely at the latter figure. Gross loss was about \$3,830,000.

GIRARD FIRE & MARINE INSURANCE COMPANY, PHILADELPHIA, PA., settled claims at 75 per cent. and upwards, but principally at 75 per cent. and 80 per cent. This company was much criticised. Gross loss was about \$1,148,000.

GLOBE & RUTGERS FIRE INSURANCE COMPANY, NEW YORK, N. Y., was another company which came under much censure. There was never any doubt of the ability to pay losses in full, but it settled its claims mostly at 75 per cent., though some were settled at 90 per cent. Gross loss was about \$1,096,000.

HAMBURG-BREMEN FIRE INSURANCE COMPANY, HAMBURG, GERMANY, settled generally at 70 per cent. to 75 per cent., though on some claims, settled among the last, paid more. It was severely criticised for insulting and discourteous treatment, and also for displaying prominently in its New York office a misleading notice, to the effect that it was pleased to inform its friends and patrons that funds had been sent over from Hamburg for the purpose of promptly paying its San Francisco losses. Gross loss was about \$4,394,000.

HANOVER FIRE INSURANCE COMPANY, NEW YORK, N. Y., settled at 75 per cent. and upwards; largely at about 90 per cent., though reported to be financially able to pay in full. Gross loss was about \$1,725,000.

HOME FIRE AND MARINE INSURANCE COMPANY, SAN FRANCISCO, CAL., had its loss paid by the Fireman's Fund Insurance Company. Its gross loss is included in the Fireman's Fund loss. The company immediately went out of business.

- INDEMNITY FIRE INSURANCE COMPANY, NEW YORK, N. Y., made the same settlement as the Norwich Union. Gross loss was about \$175,000.
- LONDON AND LANCASHIRE FIRE INSURANCE COMPANY, LIVERPOOL, ENG., began by paying the smaller claims in full, less 2 per cent. for cash, then dropped its percentage as low as 85 per cent., only to raise it afterwards to 98 per cent. and 100 per cent. Its methods came in for severe criticism, as nobody doubted its ability to pay in full. Gross loss was \$7,789,000.
- MILWAUKEE MECHANICS' INSURANCE COMPANY, MILWAUKEE, WIS., settled claims at 70 per cent. This company took advantage of the Wisconsin "Safety Fund Law," and while acting within its legal rights, aroused bitter feeling against itself. Gross loss was about \$2,637,000.
- NASSAU FIRE INSURANCE COMPANY, BROOKLYN, N. Y., settled claims at 70 per cent. to 90 per cent., mostly at 75 per cent. It was another company which made itself disliked. Gross loss was about \$374,000.
- NATIONAL FIRE INSURANCE COMPANY, HARTFORD, CONN., began by discounting on the basis of 75 per cent., and later settled the remaining claims at 90 per cent. or better. It could have paid in full and came in for much condemnation. Gross loss was about \$3,601,000.
- NATIONAL UNION FIRE INSURANCE COMPANY, PITTSBURGH, PA., settled at 75 per cent. and upwards; largely at about 90 per cent. It also was bitterly criticised for its attitude, but its loss affected the company badly. Gross loss was about \$1,627,000.
- NEW BRUNSWICK FIRE INSURANCE COMPANY, NEW BRUNSWICK, N. J., settled largely at about 75 per cent. Gross loss was about \$178,000.
- NORTH GERMAN FIRE INSURANCE COMPANY, HAMBURG, GERMANY, presented the worst possible record. It denied all liability, retired from the State and paid no claims. Gross loss was about \$4,100,000.
- NORTH RIVER INSURANCE COMPANY, NEW YORK, N. Y., settled claims mostly at 75 per cent., but in some cases were more liberal. Its methods were criticised severely. It was reported to be able to pay in full. Gross loss was about \$537,000.
- NORTHWESTERN FIRE AND MARINE INSURANCE COMPANY, ST. PAUL, MINN., settled claims in general at from 75 per cent. to 85 per cent. It was said to be amply able to pay claims in full, and was much criticized for its action. Gross loss was about \$215,000.
- NORTHWESTERN NATIONAL INSURANCE COMPANY, MILWAUKEE, WIS., settled most of the claims against it in full less 2 per cent for cash, but discounted some claims down to 80 per cent. which spoiled a record otherwise good. Gross loss was about \$761,000.
- NORWICH UNION FIRE INSURANCE SOCIETY, NORWICH, ENG., had an earthquake clause in its policies. Claims were settled

at 50 per cent. and 75 per cent., according to location. It claimed to pay losses of \$500 or less in full and at least \$500 on claims of \$500 and over. It was among the companies which were able to pay in full but assumed an attitude which called for general disapprobation. Gross loss was about \$2,739,000.

ORIENT INSURANCE COMPANY, HARTFORD, CONN., settled claims on the same basis as the London & Lancashire Company. Shared the ill feeling aroused by the action of the latter. Gross loss was about \$1,641,000.

PACIFIC FIRE INSURANCE COMPANY, NEW YORK, N. Y., settled at 70 per cent. and upwards and was also harshly criticised. Gross loss was about \$81,000.

PACIFIC UNDERWRITERS, SAN FRANCISCO, CAL., had its losses paid by and included in Fireman's Fund payments.

PALATINE INSURANCE COMPANY, LTD., LONDON, ENG., made the same settlement as the Commercial Union of London, though like the latter, was financially able to pay in full. Gross loss was about \$2,510,000.

PETER COOPER FIRE INSURANCE COMPANY, NEW YORK, N. Y., which settled claims at 75 per cent. and upwards was confronted with but a small loss which it was amply able to take care of in a spirit of liberality. Gross loss was about \$89,000.

PHENIX INSURANCE COMPANY, BROOKLYN, N. Y., settled claims at from 75 per cent. to 100 per cent. Its methods brought much hard feeling against it. Gross loss was about \$5,294,000.

PHILADELPHIA UNDERWRITERS, PHILADELPHIA, PA., settled most claims at from 90 per cent. to 95 per cent., and rarely paid higher percentages. Its gross loss was included in that of the Fire Association of North America.

PRUSSIAN NATIONAL INSURANCE COMPANY, STETTIN, GERMANY, settled its losses generally at 75 per cent. and came in for severe criticism. Gross loss was about \$1,286,000.

QUEEN CITY FIRE INSURANCE COMPANY, SIOUX FALLS, S. D., settled claims at 75 per cent. and upwards. In many cases settlements in full were made through notes. It sustained a heavy loss for a small company but cared for its notes satisfactorily. Gross loss was about \$304,000.

RHINE & MOSELLE FIRE, STRASBOURG, GERMANY, exhibits a very bad record. Its policies contained an earthquake clause and the company denied liability and withdrew from the State refusing to pay any except claims of \$500 or less on which it offered 50 per cent. Gross loss was about \$4,500,000.

ROCHESTER GERMAN INSURANCE COMPANY, ROCHESTER, N. Y., settled claims for 85 per cent. and upwards, largely at 90 per cent. to 95 per cent. The company suffered badly because it was small. Gross loss was about \$976,000.

ROYAL EXCHANGE ASSURANCE, LONDON, ENG., settled claims at 75 per cent. and upwards, largely at 90 per cent. to 95 per cent. Its record was not what it should be for so strong a company, and its methods of getting at adjustments were considered arbitrary. Gross loss was about \$5,425,000.

SCOTCH UNDERWRITERS, SAN FRANCISCO, CAL., settled claims on the same basis as the Caledonian of Edinburgh, and figures for the former are included in those for the latter.

SPRING GARDEN INSURANCE COMPANY, PHILADELPHIA, PA., settled claims in general at 70 per cent. to 75 per cent. Some claims were settled on a more liberal basis, but its methods brought the company into bad repute. Gross loss (Not reported).

STUYVESANT INSURANCE COMPANY, NEW YORK, N. Y., settled claims at 70 per cent. to 90 per cent. Its discounts were inconsistent and arbitrary. Gross loss was about \$186,000.

SVEA FIRE & LIFE INSURANCE COMPANY, GOTHENBURG, SWEDEN, settled at 75 per cent. and upwards. There was exhibited a patent attempt to get the largest discount possible and consequently hostile criticism was directed against the company. Gross loss was about \$2,125,000.

TRANSATLANTIC FIRE INSURANCE COMPANY, HAMBURG, GERMANY, was another German company to present an unenviable record. It denied liability absolutely and retired from the State. As a result of the visit of a policyholders' committee to Germany, the company went into liquidation. It deserves the keenest censure for its gross act of desertion. Gross loss was about \$4,000,000.

UNITED FIREMEN'S INSURANCE COMPANY, PHILADELPHIA, PA., settled claims for 75 per cent. and upwards; in general at from 90 per cent. to 95 per cent. Gross loss was about \$755,000.

WESTCHESTER FIRE INSURANCE COMPANY, NEW YORK, N. Y., settled some claims at 75 per cent. to 80 per cent. but later paid largely in full, less a discount for cash of 2 per cent. to 5 per cent. Gross loss was about \$1,226,000.

WESTERN ASSURANCE COMPANY, TORONTO, ONT., made the same settlement as the British-America, of Toronto. Gross loss was about \$2,041,000.

WILLIAMSBURG CITY FIRE INSURANCE COMPANY, BROOKLYN, N. Y., had in most of its policies the earthquake clause. It settled claims on these policies at 50 per cent to 75 per cent. according to location, and claimed to pay losses of \$500 or less in full, and at least \$500 on claims of \$500 or more. Policies which did not contain the earthquake clause were settled largely at 95 per cent. The company came in for stiff criticism and had many suits brought against it. Gross loss was about \$1,857,000.

The following companies either failed or retired from business by reason of the fire:

AMERICAN FIRE INSURANCE COMPANY, PHILADELPHIA, PA., settled claims at about 50 per cent. and reinsured its business. Gross loss was about \$2,308,000.

AMERICAN INSURANCE COMPANY, BOSTON, MASS., settled claims at 40 per cent. and reinsured its business. Gross loss was about \$1,200,000.

ASSURANCE COMPANY OF AMERICA, NEW YORK, N. Y., settled at about 75 per cent. and reinsured its business. Gross loss was about \$503,000.

ATLANTA-BIRMINGHAM FIRE INSURANCE COMPANY, ATLANTA, GA., paid nothing and left the State offering 25 per cent. in cash and 15 per cent. in notes. It has since gone into the hands of a receiver. Gross loss was about \$859,000.

DUTCHESS INSURANCE COMPANY, POUGHKEEPSIE, N. Y., settled claims at 30 per cent. and then reinsured its business. It also was severely criticised. Gross loss was about \$1,150,000.

FEDERAL INSURANCE COMPANY, JERSEY CITY, N. J., settled claims at 75 per cent. and upwards, largely above 90 per cent. and then reinsured its fire business. Gross loss was about \$812,000.

GERMAN INSURANCE COMPANY, FREEPORT, ILL., settled some claims at 60 per cent., reinsured its business and went into the hands of a receiver. Gross loss was about \$5,139,000.

GERMAN NATIONAL INSURANCE COMPANY, CHICAGO, ILL., settled some claims at 60 per cent. and then went into the hands of a receiver. Gross loss was about \$445,000.

NEW YORK FIRE INSURANCE COMPANY, NEW YORK, N. Y., settled claims at 40 per cent. and reinsured its business. Gross loss was about \$479,000.

NORTH GERMAN FIRE INSURANCE COMPANY, NEW YORK, N. Y., paid no claims. It reinsured its business in the Cosmopolitan Fire Insurance Company, organized for this purpose and then went into the hands of a receiver. Gross loss was about \$802,000.

SECURITY FIRE INSURANCE COMPANY, BALTIMORE, MD., also paid nothing. It reinsured its business and went into the hands of a receiver. Gross loss was about \$700,000.

TRADERS INSURANCE COMPANY, CHICAGO, ILL., is another company which paid nothing and is in the hands of a receiver, being wound up for the benefit of its creditors. Gross loss was about \$3,748,000.

G. BRENNER,
ARTHUR PARSONS,
A. H. DEVERS,
GEORGE F. TELFER,
G. WITHERSPOON, *Chairman.*

W. C. Mushet, of Los Angeles—A year ago I had the honor to present the resolutions which are contained in the first part of this report, which led to the appointment of this committee, and I desire at this time to move that the report be adopted by this association.

Hugo Kanzler, of New York—I trust my friend will accept the amendment that a copy of this special report be sent to each one of the companies enumerated therein.

Mr. Mushet—I have another resolution which I wish to offer with regard to the number of these reports.

Amendment withdrawn.

Report unanimously adopted.

Mr. Mushet—I wish to move the following resolution:

Resolved, that 250,000 copies of this report be printed and distributed amongst the merchants of this country.

When the motion is seconded I will ask for the privilege of saying a word or two on it.

Motion seconded.

Mr. Mushet—This report is the result of a great deal of labor, as Mr. Parsons said, and the burden of making the report very largely lay upon the president of the Los Angeles Association. The chairman in his wisdom saw fit to appoint a committee of five, consisting of representatives of five western associations. Mr. Witherspoon spent much time in the consideration of this matter. The Los Angeles Association has had its attorney, W. T. Craig, one of the leading attorneys of Los Angeles, devote a great deal of time to the investigation of this matter and if you carefully read the report on each individual company named, you will find that you will have something which will be of lasting value to every merchant in the United States. The committee in sending this report to the National Association, in a letter addressed to its office, closed the same with this paragraph:

"Your committee has endeavored to make this report so complete that it may be of permanent value to the mercantile interests of this country, and it therefore recommends its adoption, and recommends that the National Association authorize the printing of the report in pamphlet form and provide for the distribution through the various local associations of at least 250,000 copies throughout the mercantile world."

President Fessenden—The question before you is on the adoption of the resolution offered by Mr. Mushet.

An amendment was offered to the effect that instead of authorizing the printing of 250,000 copies at this time, the pamphlets be handled through the local associations, because the expense of printing 250,000 copies and distributing them would be heavy, and it would be better for them to be handled through the local associations.

Amendment accepted.

J. T. Young, of Ogden—I suggest that the report be published by the National Association, that is, that they have charge of the publishing of it, but that the different associations make requisition for as many copies as will cover their particular territory, and see that they are distributed properly and pay their pro rata of the expense.

Mr. Mushet—I think that is fair, and I would like to have that incorporated in my motion.

G. B. Hill, of Pittsburgh—Can any one give us an idea of the expense of publishing 250,000 copies? We are undertaking a pretty big contract, and I think it would cost \$4,000 to \$5,000.

President Fessenden—Perhaps the Secretary can give us some information on that point.

Secretary Meek—There would be no further charge for composition, as the matter is now standing and held, and this report will be published and handled the same as the other literature in the office, that is, we shall publish what we need from time to time in addition to the first 5,000 or 10,000 copies. I cannot give you an estimate, but I think that the cost will be very reasonable indeed under the arrangement which we have.

Mr. Parsons—It occurs to me that valuable as this pamphlet may be to the members of the association as affording them information with regard to the responsibility and character of the insurance companies, it would also prove to be exceedingly good advertising matter for those insurance companies who appear in the Roll of Honor, and in the second list, would it not be advisable, therefore, if after this pamphlet is published in quantity, a stipulated price be placed upon it, in order that all who desire may buy and distribute it. The companies themselves might desire to use it as an advertising medium.

Mr. Mushet—In order to incorporate the two amendments in my original resolution, I would like to substitute the following and move its adoption:

"Resolved, That the National Association cause to be printed a sufficient number of copies to supply the demands of all local associations for distribution in the territory covered by them, each association to bear the expense of its requisition."

President Fessenden—Is the substitute accepted?

(The substitute was accepted.)

Motion seconded and unanimously carried.

President Fessenden—The resolution has been adopted.

Hugo Kanzler, of New York—I move that the report of this special committee be sent to the companies named and commented upon by the committee, and that it have the sanction and endorsement of this convention as a whole.

Motion seconded.

Carried.

A recess was here taken until 2 P. M., same day, Friday, June 14th, 1907, same place.

THIRD DAY.

Friday, June 14, 1907.

Afternoon Session.

Meeting called to order by the President at 2.30 P. M.

President Fessenden—The next order of business is the nomination and election of a President and Vice-Presidents.

Chas. W. Burrows, of Cleveland—To me has been assigned the duty, the privilege, the pleasure of placing in nomination for the office of President of this association for the coming year, the name of Thomas P. Robbins, of Cleveland. (Great and continued applause.)

In stating that this is a privilege as well as a duty, I will add that had the proposition of making this nomination come to me (it was made to me as an entire surprise at midnight last night) in the form of a request that I put in nomination any other man in the Cleveland delegation I should have asked to be relieved from the responsibility of the position. In appearing here as the spokesman for the Cleveland delegation, I have nothing to ask in return for what Cleveland has done. Should the nomination be placed upon the plea of service, then we simply ask you to bear in mind that Cleveland has been a willing worker in the field; but we place in nomination a man—good though the names are that will be placed in nomination besides his—than whom none can be higher in the qualities that are needed for this office. For I want you to bear in mind that the speakership is not a matter for one day in the year. It is a matter for 365 days in the year.

Mr. Thomas P. Robbins should have been called Mr. Thomas Progressive Robbins. (Great applause.)

In addition to the qualities which we, in Cleveland, have learned that he possesses—modesty, clear perception, rapid and accurate thinking, he possesses most excellent business judgment, as has been exemplified in his own business.

To show the appropriateness of this man for the place, an appropriateness, I believe, above that of any other man who might be named here—without speaking derogatorily of any other who may be placed

in nomination by this body today—do you remember what day this is? Just 130 years ago was born the Stars and Stripes. (Great applause.) The flag that by the enactment of the 14th of June, 1777, became the emblem of the colonies, under which—flying in the breeze—they marched steadily to victory under Washington throughout the revolutionary war, and, ever since that day down to the time when that emblem has been borne by our young soldiers in the Philippines, it has been the standard of glory, progress and unity. It was the symbol at that time of thirteen weak, struggling agricultural communities. National commerce and national manufacturers and international commerce had not then been dreamed of; but the railroad, the steamship, the telegraph, the telephone and countless other inventions of the busy brain of man, have made a new planet out of the one that George Washington knew.

With the development of this country has come the birth of this national and international commerce, and it is due to that enormous expansion that the Credit Men's Association owes its existence. Without that commerce you would not be needed.

In Washington's day, wealth consisted of acres and crops. Today, stocks and bonds and merchandise represent a large part of the wealth of the community. There has been one continuous procession in the line of progress from that day to this: and the procession is not going to stop. As Henry Ward Beecher says, "The loom of life weaves on continuously, and the pattern that was weaving when we went to bed last night was still weaving when we arose this morning."

You want for your President a man who is a thinker as well as a doer. Not that we have any doubt that in spite of his modesty of demeanor he will be able to be the doer in the Presidential chair. When the time comes he will show his ability to handle that situation, just as he has every other situation in his home town in Cleveland—in which he has been placed.

Benjamin Franklin said in his autobiography that he would never ask for an office, he would never refuse an office, and he would never resign an office.

We, of Cleveland, have asked Mr. Robbins to accept this nomination. He refused positively again and again to make any active efforts in the direction of securing it. If it came at all it must come through others. That is the situation, as far as he is concerned today. Such a man, a man possessed of constructive intellectual ability, I believe is the man that you need for this position.

The work that he has done in committee is sufficient testimonial to his ability.

He is possessed of sincerity, he is possessed of integrity, he is possessed of that quality which inspires trust. "A man cannot cheat any one but himself," Emerson tells us; and Mr. Robbins' life will testify to the insight that he has had into that maxim.

He is one of the sort of men who does not speculate on what he would do in some one else's place—He does his best in his own place. He is one of the sort of men who believes that his daily toil should bring to him a life as well as a living.

But I must not detain you longer. I never heard a man placed in nomination before in my life. I was never asked to make a nomination before and I have no idea how it will be done by others. I doubt not it will be done much better than I have done it. But I want you to bear one thing in mind. The man who succeeds in life proclaims himself probably a self-made man but if he is a failure, he says "I am as God made me." Now, if I succeed in winning some votes for Mr. Robbins,

I want to have you give me credit for a very good little address; if I fail and somebody else carries off the nomination, then I am going to throw the onus of the situation upon Providence. (Laughter.)

But this I will tell you regarding our candidate. His position, whether he wins or whether he loses, will remind you and me of the words of the philosopher Montaigne, who, recalling a prayer of the mariner of old in the midst of a dire tempest, said:

"O God, Thou canst save me and Thou wilt, and, O God, and Thou wilt Thou mayest destroy me; but whether or no I will steer my rudder true"; and that is the kind of man that I am placing in nomination today, and for whom I ask your suffrages. (Great applause.)

J. J. Simmons, of Dallas—In behalf of the city of Dallas whence I come, and in behalf of her twin sister, Fort Worth, in behalf of all of her cities, in behalf of her verdant plains, with her cattle upon a thousand hills, in behalf of her ever-blooming, oleandered coast—Texas regenerated with the blood of the martyrs, her banner borne aloft by three million of people, like the wise men of old when they followed the star of Bethlehem, follows her lone star as it points to that gallant son of Ohio, Thos. P. Robbins. (Great applause.)

We learn that his service to this association dates practically from the association's birth. Elect him and you have paid tribute to honesty! Elect him and you have paid tribute to duty! Yes, gentlemen of the convention, Texas makes nomination of the man who does things. Elect him yet while he has the conceptions and aspirations of his early youth, clad as he is in the very garb of Saxon lineage, with the purest of American impulses, a direct and lineal heir of the very spirit of the fathers who carved out the full-fledged spirit of liberty.

Texas presents him to you and he stands like David of old, against the tallest in the land, a living, towering, breathing monument to duty, fidelity, honesty and integrity. (Great applause.)

E. S. Shannon, of Nashville—They speak of Robbins. That reminds me of the old story in Dixie Land that is told of the woodpecker and a robin redbreast. But, gentlemen, I have the pleasure of knowing Mr. Robbins. He is a gallant man, but I come before you to say a few choice words (laughter), to say that I esteem it a privilege and an honor to place a name before this convention; and I want to correct these gentlemen who say they have put Robbins in because he will do things—I want to put a man in nomination who has done things. (Applause.)

Old Dixie Land is the land of flowers, sunshine and happiness, and in my old official capacity, I would say as a booster, not in the book law, that I want you to elect a man who has, in my opinion, done as much, if not more for the progress of the National Association of Credit Men than any man who comes to my mind, Mr. F. M. Gettys, of Louisville. (Great applause.)

Now, gentlemen, Dixie Land has done a great deal for the National Association of Credit Men. I had the privilege of being in the mercantile agency for sixteen years. They all reported me from the executive office as "The South loses." It did lose. But, gentlemen, our magnificent resources, our citizenship, our natural conditions, our women, our men, our push, our patience, our perseverance has made us famous. We today play an important part, not only in the national government, but we have the pleasure of sending to you one of the noblest Romans of them all, a gentleman who like Mr. Theodore Roosevelt, likes a square deal. This man, Mr. Gettys, I want to say to you ladies, is a man of angelic form (laughter), a man of perseverance, a man who has done things, a man who will do things. If I had his height, the non plus of



Director

JAS. L. McWHORTER

Montgomery-Moore Mfg. Co., Nashville, Tenn.

his hair, and the shape of my friend, there is no telling what I would say before you this afternoon.

But, coming down to business, gentlemen, we want a man in this office who is broad, who is liberal, who will give us a square deal; and I want to say that from the report of the committee on membership as to the increase of our membership, if you will notice the figures, Dixie Land has added materially to the increase; and while we were formerly acting in the capacity of praying members, we now, with pleasure, can apply to ourselves the title of paying members. (Laughter.)

Now the claim that this nomination proceeds because of the fact that Mr. Gettys is from the South, is untrue. I want to say that there is no North, there is no South. (Great applause.)

We want you to consider purely on his merits the candidacy of this man for the high honor of the Presidency, as the fit successor of my friend, Mr. Fessenden, who has so ably filled that office, and I believe that he will be an able one, although Mr. Fessenden made the best President for the last two years that we could possibly have had. (Great applause.)

Now I am going to close, because there are some orators to follow me who will surpass anything that can come before you; but inasmuch as we have supported the National Association of Credit Men in my far Dixie Land, inasmuch as we are part and parcel of our great organization, I want to say that in electing Mr. Frank M. Gettys, of Kentucky, you will make no mistake.

William A. Prendergast, of New York—(Great and long-continued applause.)

Acting under the instructions of my superiors in the New York delegation, it is indeed a very pleasant duty to rise here to second the nomination of that splendid flower of Southern chivalry, Mr. Frank M. Gettys, of Louisville. (Great applause.)

I thank the eloquent gentleman from Cleveland for providing me with a theme, when he referred to the fact that this is flag day; and I want to take advantage of that suggestion, for which I am profoundly grateful, to say that the gentleman that I nominate typifies in his birthplace, in his birthright, in his citizenship, in his aspirations, in every fibre and element of his character, those splendid qualities that mean so much for the advancement of this great country, symbolized as they are by that glorious banner whose birthday we celebrate today. (Great applause.)

I am glad, indeed, that in this discussion it is not necessary to go into deep analyses of the different qualifications of the candidates. We who are not in favor of a certain nomination are without hesitation not only willing but desirous to say that we echo every sentiment that has been uttered on behalf of the gentleman from Cleveland. (Applause.)

But as long as human nature remains as it is, there will always be differences of opinion, and we will always have different ideas as to the qualities and the characteristics and the requirements of every situation, and therefore it develops that some favor the gallant son of Kentucky, while conceding everything that has been claimed for the equally gallant son of Ohio.

Reference has been made to the services of these respective candidates, and with justice. On behalf of my candidate, let me say, that since he joined this association there has never been an hour when his best thought and all his energy has not been entirely at our disposal. (Applause.) There has never been a time when every movement that this association has seen fit to inaugurate, has not received his cordial

support. Under the energizing influence of his personality, the Louisville Association blossomed until it became the real perfect flower. (Applause.)

As an evidence of his practical worth, of which I can speak with true understanding, one of the most useful elements of this association, namely, our credit reporting bureaus, has had no more earnest and worthy supporter. Responsive to every demand upon his time, careless of his own convenience and his own comfort, willing to offer the best that he had in support of what we had in mind, I have known him to travel from city to city with the hope of instituting among our different associations the latest and most improved ideas which we feel will redound to the advancement and success of the local association. (Applause.)

You all remember him as the presiding genius of the Louisville convention; and it was not alone the balmy atmosphere of the South, my friends, that made that occasion so delightful; it was the equally balmy and charming personality of Mr. Frank M. Gettys. (Great applause.)

Some one, I believe it was ex-Mayor Hewitt, said when John R. Fellows was running for the office of District Attorney of New York County, that if every man in the city could hear Mr. Fellows speak, the vote for John R. Fellows would be unanimous.

My friends, if you all could hear that sweet, melodious, ever resonant voice of Mr. Gettys, I fear, oh, how I fear for my good friend from Cleveland! (Great laughter and applause.) That voice, my friends,

"Could soothe the souls in purgatory."

It is not a question of section or locality, it is a serious, earnest problem that you have before you. I say that no man who believes in this association has a right,—I put it squarely upon the question of right,—to cast his vote except in behalf of that candidate who will accomplish the most for the organization. (Applause.) We need a man, and I speak advisedly, who in his personality, in his ability to present acceptably the questions in which this association is interested, can go before the people of the different cities, go before the different credit men, aiming to maintain their enthusiasm in the organization, and also to inculcate enthusiasm in those who may not, up to that time have been interested in this association.

It is not a question of men, it is a question of what is best for the association as a whole; it is not a question of rewarding any one city or any one section; it is solely what will be best for the whole country. This question is larger than any man, than any State; it is a question that transcends personalities; it is a question of the association. (Great applause.)

And, therefore, responsive to what I believe is a strong demand on the part of a large number of the delegates to this convention, acting in conformity with the instructions of my delegation, I have the very great honor of heartily seconding the nomination of Mr. Frank M. Gettys, of Louisville. (Great and long continued applause.)

O. H. Perry, of Columbus—I have the great pleasure on behalf of the delegation of Columbus, Ohio, to rise before you and appropriate somewhat, but not literally, the sentiment of the great President, the great statesman, the great citizen of this great State of Illinois, Abraham Lincoln, who after the fight, and not before the fight, said, "with malice toward none and charity for all," and doing the right as we are given to see the right, I second the nomination of Mr. Robbins, of Cleveland. (Long continued applause), a man who has done things, a man who

does things, a man who will do things, and who will bring the association in membership and in energy and in influence to the great point to which his own local association has attained. (Great applause.)

What he has done for Cleveland he will do for the association, whether North or East or South or West. (Great applause.)

I second his nomination because he is a man so broad, so high, that whether he gets the election or not, he will take Mr. Gettys or any other man who is successful by the hand and bid him godspeed. (Great applause.)

I second his nomination because if anything happens to the ship of state that is being guided largely by the credit men of this country, if from without an enemy should attack the ship of state, Mr. Robbins, like the illustrious Perry on Lake Erie, will take off his coat, stuff up the cracks, and send the ship to greater deeds than ever before. I desire to second the nomination of Mr. Robbins, of Cleveland, as President of this association. (Great applause.)

John H. Conrades, of St. Louis—It is well that we consider solely the interests of this great association. We should not forget those officers who have worked hard for this association in an inferior position for a number of years, and they should be advanced when the proper time comes, as only through that means can we secure the best results from the work of our officers.

In this case there is a candidate before this convention who has given a good deal of time to the interests of the association, who has traveled from one end of the United States to the other in the interests of this association, and we should not now forget that we owe something to him, for that reason, gentlemen, I wish in behalf of St. Louis to second the nomination of our Vice-President, Mr. Thomas P. Robbins, of Cleveland, Ohio.

J. H. Scales, of Louisville—I feel deeply gratified for the kind words that have been said in behalf of my distinguished colleague from Louisville, and I hesitate at this moment to say anything myself, for fear that it might be construed as a personal or a selfish desire on the part of our association to see him elevated to the Presidency; but you know we have it from an eminent authority that a prophet is not without honor save in his own country. Nevertheless, I believe that we are all agreed upon the axiom that the exception proves the rule. I have come here in behalf of the Louisville Association, in behalf of the State of Kentucky, to claim the exception, and to second the nomination of Mr. Gettys. (Great applause.) Doubtless many of you are familiar with the work he has done in the National Association. I am familiar with that, and I, too, am familiar with the work that he does at home; and what you see of him in the National Convention I see every day in the city of Louisville. He always has the interests of the association at heart, and to give you an idea of the esteem in which he is held, I do not think I could illustrate it better than to relate a true story. A gentleman whom I could present to you, if necessary, was walking down the street not long since. Mr. Gettys was preceding him a short distance. He saw two children on the sidewalk and one said to the other. "Who is that big man?" "Why, that's Mr. Gettys; my father says he's the nicest man in Louisville!" (Great applause and laughter.)

The fact that Mr. Gettys comes from the South, or from Louisville, is but a mere incident. We are not selfish in asking for a President; and that is not our desire. We want a man who is broad enough, and we think we have one in him—we know we have in him a man who is not biased by any geographical or sectional prejudice, who will be equally

zealous in safeguarding the interests of our progressive West or the thickly populated East as he will the interests of Dixie Land.

I am satisfied that he will work for the interests of the National Association if elected to the presidency. He is every inch a man, and those of you who know him know that he has more inches than most of us. (Laughter.) In fact, I do not think you will find him wanting, and I feel justified in saying that he is the man of the hour. (Great applause.)

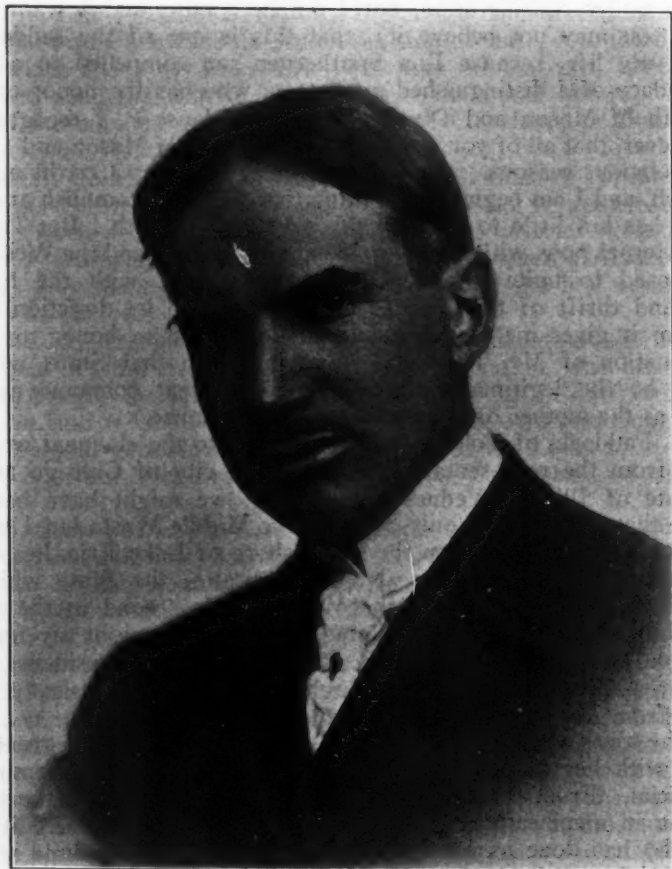
Fisher Harris, of Salt Lake City—I am awfully sorry you have brought me to the platform, because I had hoped later to occupy that prominent position on a matter of almost equal importance with the one you have under consideration, but I am here now, and I want to say (though you may not believe it), that this is one of the saddest moments of my life, because I, a Southerner, am compelled to advocate the candidacy of a distinguished gentleman, who has the honor of being born north of Mason and Dixon's line. (Applause.) I recognize the fact, however, that all of you couldn't be born south of Mason and Dixon's line, for obvious reasons. (Laughter.) For whatever a credit man can accomplish, and I am beginning to think that he can accomplish anything, he really has but little to do with the place of his birth. But I myself am a Westerner now, with Southern blood in my veins, and the Westerners are supposed to unite the chivalry of the South, with the honesty, bravery and thrift of the North. (Applause.) So by direction of my delegation, it gives me pleasure, and I consider it an honor to second the nomination of Mr. Thomas P. Robbins, from that State, which is going to be the legitimate successor of the great commonwealth of Virginia, as the mother of presidents. (Great applause.)

J. H. Paddock, of Toledo—After listening to the eloquent words of welcome from the representative of this great city of Chicago and the great State of Illinois Wednesday morning, we might have been led to believe that this was the only State of the Middle West; but I wish to inform you that east of us, on the south shore of Lake Erie, lies one of the grandest States of the great Central States, the State which, as mentioned by our friend from the West, stands second in the matter of furnishing presidents for the United States, and I might say for your information, that we are ready to furnish the next president (great applause), a man who is large enough mentally and physically to fill the office from any viewpoint. (Applause.)

On the south shore of Lake Erie lies the metropolis of the great State of Ohio, with her varied interests, manufacturing, mining, commercial and financial. From that city comes a man who represents the largest association in membership in the National Association of Credit Men, a man who has done as much as any other one man to build up, not only his local association but the National Association; and on behalf of the Toledo delegation and the great State of Ohio, I wish to second the nomination of Mr. Thomas P. Robbins, of Cleveland. (Great applause.)

Lee M. Hutchins, of Grand Rapids—A magnificent keynote has been sounded here this afternoon, as expressed by several speakers when referring to duty as well as pleasure that devolves upon us at this hour.

It is a serious task to second the nomination or even to present in nomination a man before the Credit Men's Association of the United States. But it is a pleasure as well, because we can voice the spirit of the old saying, that while united we stand, divided we fall, and in the instance of the Credit Men's Association, under the leadership of the



Director

HENRY T. SMITH

Bradner Smith & Co., Chicago, Ill.

tllemen come together once a year as the cleanest body of commercial men in the United States to decide the questions which shall make

right man, we can arise united and march on the road of progress under all circumstances.

Acting under the instruction of the delegation from Michigan, I come to you gentlemen, to second again the nomination of that imperial gentleman, Thomas P. Robbins, of Cleveland, Ohio. (Great and long-continued applause.)

Cries of good! good! good!

Mr. Hutchins—I am reminded of the common experiences in the old home life, when the mother or the father has two of the children come to have a difficulty settled or a division of opinion straightened out, for I know that the men who have made these nominations and seconded them, appear before you today in a way as a father and a mother. We all come from both sides in a good and common cause. In a sense the result is unimportant, because from the ranks of this magnificent audience before me many men could be selected who are not only capable men but who would meet with the approval of this entire body of men, if elected to the presidency of this association.

We are not short of timber and ability. It is just a question of our personal preferences at this particular time.

You say to me, what do you know about this imperial man? I know this, that I have known him long enough, I have traveled with him, I have bunked with him, I have supped with him, and I have found him under all circumstances every inch a man. (Great applause.)

They say that a man's vocabulary is limited by his dictionary, but his prestige can only be limited by the expression from his heart. (Applause.)

There was a woman of old who went to the Master and asked which one of her sons should sit on the right hand of the Father in heaven, and he made a peculiar reply. But today I come to endorse a man in behalf of the Michigan delegation, who has earned the honor from the towpath to the White House of having his name written on a higher tablet than it has been written upon yet in the annals of the Credit Men's Association of the United States. (Applause.)

His record as a thinker, as a worker and as a doer, is almost unparalleled in the history of this organization. The figures show to us that in the last year the increase in the membership in the Cleveland Association has been 23¾ per cent. There has been inaugurated and carried out in that association, and be it said to its everlasting honor, under the direction of such a man as Thomas P. Robbins in the past and in the present, such a system as not only has brought that association to the high rank in which it stands today, but which ought necessarily to put its foremost man in the foremost rank among us. (Applause.)

We have plenty of men, but we have today selected this man as the one who should occupy the highest place in our gift.

It was emphasized yesterday that this is getting to be the most powerful mercantile organization in the United States, if it has not already attained that position it certainly will attain it under the direction of such men as have occupied and will occupy the chair of the President, and we come today to ask that Thomas P. Robbins be placed in that chair. (Great applause.)

I will close with one little illustration; and I bring it in at this particular point to emphasize the position of the candidate whose endorsement I declare before you. Eloquence has abounded here this afternoon; glorious things have been said. Why glorious? Because they could be said in a cause that admits of such words. You gen-

tlements come together once a year as the cleanest body of commercial men in the United States to decide the questions which shall make for the best interests of the mercantile institutions of this country. The time is rapidly coming when the verdict of this organization cannot be disputed in the mercantile world, and we have a clean record to uphold. We must uphold it for all time to come, and to do so we must take from the rank and file of our men the best that we can get, clean men, men every inch, men who are in their integrity and in their success and ability undisputed and undoubted. But to come to the illustration I referred to. There was a young man spending his vacation upon the seashore, and in the absence of his fiancé, and in his desolation, as he walked day after day, up and down the sandy beach, thinking of her, suddenly he stopped, and in his enthusiasm picked up an old stick from the shore and wrote on the beach as the tide was out: "Agnes, I love thee;" and he stood and looked at it, and he was all wrapped up in the sentiment. He could see her very form and presence. But in a little while the tide came in, and the first wave partially wiped out those words; another wave came in, and they were three-quarters gone; another wave came in and you could hardly read the words; they were really undecipherable.

Mr. Robbins' term of office expires now as Vice-President of this association, but I would pluck Norway's tallest pine from its root, dip its topmost peak in the open crater of Vesuvius, and with its burnished point write on the bluest dome of heaven "Robbins, we love thee!" and I would like to see any old wave wash it out. (Great applause.)

F. H. McAdow, of Chicago—To paraphrase a little and repay the compliment that Mr. Perry so kindly extended to Illinois, I would say that the favored son of Ohio once said, "It is from the calm level of the sea that all heights and depths are measured." We are attending a feast of oratory, we are complimenting the men who deserve these compliments now; but what we have most in mind is the ultimate good of the association, and the result of our work is decided not here today, but in the days that are to come.

Therefore, on behalf of the Chicago Credit Men's Association, our delegation here, it indeed affords me great pleasure to second the nomination of that son of Kentucky whom we have learned to love, Mr. Frank M. Gettys.

If you want to go into his history, you have only to take the history of the National Association of Credit Men. It is written there and is so intertwined and interwoven with it that it cannot be separated. When we first broke over Mason and Dixon's line to be entertained as a National convention, we went as far as Louisville, and there we first learned to love him, and there we got the taste for the Southern hospitality, for the greatness of the Southern heart, which he exemplifies; for that manliness which is an honor to any man; we acquired the habit of desiring it, and it has been hard to keep us from going into Dixie since that time. We want to second Gettys' nomination because of his manliness, because of that big-hearted personality that wins men and gives him the element of leadership among men.

We know that if you select him you are going to remain true to the best traditions of this organization, which have brought it up from its humble beginning to the powerful position which it occupies today. (Great applause.) It is because of these qualities of Mr. Gettys that we turn to him. We believe he is entitled to the position now. We remember the manliness with which he stood aside at one time that the honor might go in another direction; but today he is here; we believe, to enter

into his kingdom and to claim his own, and we most heartily second his nomination. (Great applause.)

F. S. Evans, of Philadelphia—After such an amount of oratory, it ill behooves a plain Quaker from the slow city of Philadelphia, to attempt any rhetorical flights.

After all, both men are good men, both are good fellows in every sense of the word, and I like both of them; but naturally, as human nature exists, as our friend Prendergast has said, we make a choice, and we must make a choice. We cannot vote for them both for the same office. Therefore, Philadelphia, viewing the proposition as a business proposition in the interests of the association, has made its choice and has asked me to voice it.

We are in hearty accord, as I have said, with everything that is claimed for both gentlemen. Nothing, possibly, has been too wildly extravagant to express their admirable qualities; but merely viewing them as common clay like the rest of us, we have selected Mr. Frank M. Gettys (great applause), and we heartily second his nomination. (Long continued applause.)

J. E. Porter, of Pittsburgh—If I believed a single delegate in this convention needed any instruction as to how he should cast his vote, I should think his local association had made a mistake when they elected him to come here as a delegate. We admit the justice of the claims that have been presented. Personally I do not believe there is anything too good for the United States of Ohio. (Great laughter and applause.) It is a privilege which I highly appreciate on behalf of the delegation from Pittsburgh, to heartily second the nomination for President of this association of Thomas P. Robbins, of Cleveland, Ohio. (Great applause.)

H. A. Boardman, of St. Paul—St. Paul seconds the nomination of Mr. Gettys, of Louisville.

Charles L. Bird, of Boston—Boston, representing the cold, rock-bound coast of New England, seconds the nomination of Frank M. Gettys, of Louisville. When we came to this convention years ago we found Frank M. Gettys, and he has been advanced from that time to this, not because he wanted it, but because he had to have it.

Mr. Robinson, of Ogden—I do not believe that further comment on this matter will help us in selecting our President, and I move that nominations now close.

Motion seconded and unanimously carried and the nominations were closed.

President Fessenden—We will now proceed to take a ballot. I think for the information of the convention that the Secretary should read the number of votes each local association represented here is entitled to cast, and if the Chairman of the delegation will make a memorandum of it, he will see just how many votes his delegation has the right to cast.

Now, in making the ballots, you are to divide up among your delegates proportionately the number of votes you are entitled to. To enable the tellers to count the votes, and to know that every man is voting, I suggest that each delegate place on the ballot the number of votes he casts and for whom, and then sign his name. Individual members here are entitled to cast a vote. Any gentleman here holding a proxy from an individual member is entitled to cast a vote for the one whose proxy he holds. Is there any further information the chair can give you?

H. L. Eisen, of Milwaukee—Is the delegate holding the proxy of an individual member entitled to vote?

President Fessenden—For that individual member, yes.

Mr. Eisen—I do not so understand it. I understood that a delegate was not entitled to vote the proxy of any individual member.

President Fessenden—The Secretary will read the section of the revised Constitution on representation.

(The Secretary read the section referred to.)

President Fessenden—The vote will be taken by ballot. A ballot box is provided in which the votes will be placed.

Mr. Eisen—Can the chairman vote the entire number of votes to which the local association is entitled?

President Fessenden—That is a matter for the delegation. The Chair can give you no information about that.

How will you have the tellers appointed?

Motion made, seconded and unanimously carried that tellers shall be appointed by the Chair.

President Fessenden—The Chair appoints the following list of tellers, which the Secretary will read.

Secretary Meek—The tellers appointed are A. C. Foster, of Denver, F. H. Randel, of Cleveland, M. H. Moise, of Louisville, Howard Marshall, of New York, and Philip Present, of Rochester.

Mr. Marshall—I move that we take a recess of five minutes in order to facilitate business.

Motion seconded.

Motion lost.

President Fessenden—The Secretary will read the number of votes each association is entitled to, and the chairmen will make the memorandum.

Secretary Meek—Affiliated Associations represented by delegates:

Atlanta	62 members.
Baltimore	379 "
Boston	139 "
Buffalo	165 "
Chicago	523 "
Cincinnati	193 "
Cleveland	705 "
Columbus	195 "
Dallas	76 "
Denver	162 "
Des Moines	53 "
Detroit	172 "
Duluth	47 "
Fort Worth	66 "
Grand Rapids	166 "
Kansas City	97 "
Lincoln	39 "
Los Angeles	91 "
Louisville	98 "
Lynchburg	19 "
Memphis	83 "
Milwaukee	180 "
Minneapolis	109 "
Nashville	100 "
Newark	77 "
New Orleans	76 "
New York	646 "
Oklahoma	36 "
Omaha	73 "
Philadelphia	494 "
Pittsburgh	358 "



Director

GEO. G. FORD

Lewis P. Ross, Rochester, N. Y.

Portland	94	"
Richmond	103	"
Rochester	200	"
St. Joseph	53	"
St. Louis	435	"
St. Paul	88	"
Salt Lake City	84	"
Savannah	46	"
Seattle	67	"
Spokane	76	"
Toledo	64	"
Wichita	47	"
Youngstown	60	"

7,096

The Secretary then read the list of individual members present in person and not members of affiliated associations.

President Fessenden—Is it the pleasure of the convention that the chairman of each delegation should collect the ballots and deposit them in this box instead of having each member of the convention come up here to deposit his own ballot?

(Many voices:—Yes.)

President Fessenden—Unless there is objection, the President will take that as the sense of the convention.

Fisher Harris, of Salt Lake City—In the interest of expedition I would like to ask whether the method of casting or recording the votes cannot be by the chairman of each delegation?

President Fessenden—I have just asked the pleasure of the convention in that regard.

Mr. Harris—I move that the chairmen of the various delegations as their names are called report the votes of their delegation and the Secretary make the record, and report it to the tellers.

Mr. Evans—Would that be a vote by ballot?

President Fessenden—In the opinion of the Chair, it would not.

Mr. Prendergast—Is it not true that the Constitution requires that the vote should be by ballot?

President Fessenden—I have just answered that question in the affirmative.

Mr. Harris—Notwithstanding the decision made by the Chair, it is my understanding that the chairman of each delegation, if so instructed by his delegation, may cast one ballot representing the number of votes to which that association is entitled, and that would facilitate the operation of the convention and the counting of the votes.

A. H. Foote, of St. Louis—I wish to ask if it is not a fact that some of the associations were not called on the list read?

President Fessenden—No, sir. Every association represented here, as the Secretary is advised, was called by him.

Mr. Foote—I thought there were some omissions. I simply wanted an explanation.

President Fessenden—I think not.

Mr. Foote—St. Louis was called as having 435 votes. She is not entitled to that. She is entitled to 398 votes only.

Secretary Meek—This is the count taken from the records of the National Office.

A. H. Burt, of Buffalo—Do I understand that in cases where the chairman of the delegation casts the vote of his delegation he should

mark on the ballot his name, the delegation, and the number of votes cast for each candidate?

President Fessenden—As the Chair interprets the Constitution, such a vote as that would not be legal. The Constitution says that the delegates shall be entitled to 15 votes, and as the Chair caught the idea this morning, if St. Louis were entitled to 400 votes and had so many delegates, those votes were to be divided among the number of the delegates, and each delegate could cast his share of those votes.

H. L. Eisen, of Milwaukee—I would move you that the chairmen of the different delegations be called upon to come forward and deposit the votes of their respective delegations in the box.

Motion seconded.

President Fessenden—It is moved and seconded that the chairmen of the delegations shall collect the ballots and bring them forward and deposit them in the ballot box.

Unanimously carried.

The Secretary then read the list of proxies.

T. K. Cree, of Pittsburgh—To facilitate the work of the tellers I make a motion that each of the delegates shall pass his ballot to the chairman of his delegation, who shall count and certify the count of the ballots, pin them together, and in that way the tellers can readily ascertain the votes and if necessary make a closer count afterwards.

Motion seconded.

Mr. Prendergast—I do not think this motion should prevail. Every man in this convention who is a delegate has a right to vote for whom he pleases. There is no reason why his vote should pass the scrutiny of even the chairman of his State delegation. It is violative of the rights conferred upon every delegate by our Constitution.

Mr. Cree—Where the delegates are a unit, the tellers will have the individual ballots the same way, by passing them through their chairman.

H. L. Eisen, of Milwaukee—I rise to a point of order. I do not believe the chairman has a right to scrutinize the ballots under any circumstances, and especially where it is unanimous.

The motion and its second are withdrawn.

F. S. Evans, of Philadelphia—I move that the Secretary call the roll and as each city is called the chairman of the delegation come forward and deposit the vote for the delegation.

Motion seconded and unanimously carried.

The Secretary read the lists of the delegations who deposited their ballots in pursuance of the motion last carried.

President Fessenden—Are there any associations here which have not cast their votes? I will call them again.

The delegations which had not voted were then called by the Secretary.

Individual votes were then called for and voted.

Proxies were then voted.

President Fessenden—All having voted I declare the balloting closed.

The next order of business is the nomination and election of two Vice-Presidents, and nominations for First Vice-President are now in order.

W. P. Peter, of Dallas—I offer this motion that in nominations for Vice-Presidents a limit be set of one to make each nomination, and one to second same, and that not more than two minutes be given to each speaker.

Motion seconded and unanimously carried.

F. W. Risque, of St. Louis—On behalf of the Peerless City on the banks of the Mississippi River, I rise at the bidding of my delegation, to place in nomination her favorite son in this association, George R. Barclay, of St. Louis. (Great applause.)

I realize when I look back over the history of this association that from a little body of determined men in Toledo, we have grown to be the grandest association in aims, objects, influence and results, on the face of the earth. I realize that every officer whom we choose should be selected from the best that America has. I realize that when a man, through his ability, his judgment, his integrity and energy, has risen to the front rank, to be Vice-President of one of the largest corporations in the world, we have a man who can handle the office—

President Fessenden—The gentleman's time is up.

C. S. Faxon, of Memphis—On behalf of Memphis I would like to second the nomination of Mr. Barclay and I hope that we shall elect him unanimously.

Motion made to close the nominations.

Motion seconded.

President Fessenden—The motion is that the nominations for First Vice-President be closed.

Motion unanimously carried and so ordered.

Mr. Peter—I move that the rules be suspended and that the Secretary be authorized to cast the unanimous vote of this convention for George R. Barclay, of St. Louis, for the First Vice-President.

Unanimously carried and so done.

President Fessenden—I declare Mr. George R. Barclay elected First Vice-President of the National Association of Credit Men. (Great applause.)

F. S. Evans, of Philadelphia—What we want, and what everybody has said we want, and I think they are right, is workers in this association. I am not going to take any of your time, for I am going to nominate a man for the office of Second Vice-President, who is known throughout the land, who has traveled frequently in the interests of the association work, and is known to you as one of the hardest workers in the association, and as such, and because of his ability as such, he deserves recognition from this association. At the request of the Philadelphia Association I have the honor of presenting the name of David S. Ludlum, of Philadelphia.

Motion seconded, amidst great applause.

J. E. Wylie, of Baltimore—I rise to endorse every word that Mr. Evans has just said, and in the name of Baltimore I heartily second the nomination of Mr. Ludlum, of Philadelphia, as Second Vice-President.

Jacob Gazan, of Savannah—I rise to place in nomination for the office of Second Vice-President of this association, one who has been for years identified with its labors, has given to it his best endeavors, for three years was one of its directors, attended every meeting of those directors, and is now and has been for three years President of the Pittsburgh Association, and has brought that association from a membership of 36 to 365—I name William A. Given, of Pittsburgh.

W. L. Danahey, of Pittsburgh—Pittsburgh does not rise to ask for this office because it wants it, or because Mr. Given wants it. On the contrary he stands before you as a candidate because we know the National Association of Credit Men wants him; and he is the candidate of three-quarters of this assembly today; and we present him with our compliments. (Great applause.)

Mr. McAdow—On behalf of the Chicago Credit Men's Association we second the nomination of Mr. David S. Ludlum.

Motion made, seconded and carried that the nominations be closed.

President Fessenden—The nominations are closed.

W. P. Peter, of Dallas—If I can get unanimous consent for my motion, it would be that the chairman of each delegation cast the vote of that delegation, in order to facilitate matters.

Motion seconded.

President Fessenden—Each individual member is entitled to cast a vote, and every proxy is entitled to cast a vote, just as they did in the election of President. Is it understood that the Chair will appoint the tellers? Hearing no objections the Chair will do so, and will appoint the following as tellers:

J. H. Kentnor, W. E. Stansbury, F. H. Suffel, H. E. Moody and George W. Ryan.

The vote was then taken.

President Fessenden—As everyone has voted who is present and entitled to vote I will declare the polls closed.

The next order of business is the election of seven directors. The four receiving the highest number of votes will be elected for the term of two years, and the next three in point of votes, will be elected for one year. Printed ballots are here at the desk of the Secretary. Each one is entitled to vote for seven directors.

Fisher Harris, of Salt Lake—Is it the intention to place candidates for directors in nomination?

President Fessenden—No, sir. They were placed in nomination by a committee, who reported to the meeting yesterday; and the vote will be taken from the committee report. However, nominations may be made on the floor if you desire.

Mr. Harris—I do not care to do that.

President Fessenden—The Chair will appoint the following as tellers to canvass the votes cast for directors: O. D. Maxwell, of Baltimore, H. L. Eisen, of Milwaukee, and D. M. Douglass, of Des Moines.

The vote was then taken.

President Fessenden—All having voted who desire to do so, I declare the polls closed.

The next order of business is the reading of the report of the Committee on Resolutions, Mr. Risque, of St. Louis, Chairman.

Chas. Biggs, of New York—Before you hear the report of the Committee on Resolutions, I crave the privilege of a few words on a personal matter, before the proceedings are further carried on—personal to our friend the President.

(Mr. Biggs and the President then clasped hands amid great applause).

Mr. Biggs—My Dear Mr. Fessenden, it is with very deep feeling that I now address you. The opportunity has been kindly afforded to me to express the sense of this convention in regard to the service that you have rendered to it. When two years ago New York placed your name in nomination for the high office of President of the National Association, we knew you; we felt that you were a man who would respectably and honorably fill that office and do us credit.

At the close of the first year I had the opportunity and I was delighted to be able to present your name for a second term of one year; and the appreciation of your service for the first year was so great that without question you were elected for a second term. That second term has now passed. You have been President for two years. We, of the

New York Credit Men's Association knew you before; today the whole membership of the National Association of Credit Men knows you. (Great applause.)

You, sir, have made good. (Great applause.)

Now we members of the National Association of Credit Men had, at the inception of the movement, at the very creation of the organization, when it was scarcely knee-high, had, I say, to fight for a hearing, because there was a sort of indifference with regard to the association, and nothing known about it. We set to work to establish, and you as one of the leading members set to work to establish a foundation upon which we could build a permanent structure. You have maintained the traditions of the association; you have lived right up to your opportunities. We have no apologies to make for you; but we set you up as a standard for all our future presidents to live up to. (Great and continued applause.)

It is unnecessary for me to say any more. You hear the response to the very brief remarks that I have made. Beyond that the National Association of Credit Men, as individuals not as an association, want to give an expression of their feelings in such form that your family may recognize the love and regard that your friends have for you.

(Amidst a tremendous ovation of applause a large chest containing a silver table service was here presented to President Fessenden).

Mr. Biggs—As a token, my dear friend, of the love and regard, and the deep affection which your friends have for you, not the New York Credit Men alone, but the whole organization from Seattle to Los Angeles, from Portland, Maine, to Portland on the Pacific, I present this silver service to you. (Great applause.)

President Fessenden—Ladies and gentlemen and fellow members of the National Association of Credit Men, I would rather have heard the words of Mr. Biggs and have received the warm hand-shakes that I have for the last three days, than to accept that gift, magnificent as it is. The words you have spoken have so overcome me that I cannot express my gratitude for the feeling I am sure you have for me.

As for this gift, gentlemen, as long as I live it will be pointed to by me as a token of the regard of men, the best in the land,—my friends. (Great applause); and when I am dead my children will keep it, as long as they live, and so it will go down as an heirloom, just so long as a Fessenden lives.

(Great applause.)

Every one of you has my sincere thanks, and God bless you all.

(Enthusiastic applause.)

President Fessenden—The report of the committee on resolutions is now in order.

Mr. Risque—The committee begs leave to report as follows:

"WHEREAS, At its annual session held October 29th, 1906, the Board of Directors of the National Association of Credit Men did adopt appropriate resolutions in memory of Henry Monford Powell, of Columbus, who was removed from our midst by death shortly after our last convention, be it

"Resolved, That we do now take this, our first opportunity, to confirm the action of our Board of Directors, and do again express the high esteem and appreciation in which Mr. Powell's memory is held by this association.

"Resolved, That we here and now renew our pledge of fidelity to the cause of this association which he so ably and consistently advocated, and determine to seek the association's increased success as was his steady purpose.

"Resolved, That an engrossed copy of these resolutions, duly authenticated by the signatures of the President and Secretary-Treasurer of the association, be delivered to the family of the deceased."

Hugo Kanzler, of New York—I move a rising vote in the adoption of the resolutions offered. Motion seconded and unanimously carried by a rising vote.

President Fessenden—The vote will be recorded by the Secretary.

Mr. Risque—The next resolution is as follows:

"WHEREAS, There has been removed by death from among us since our last convention John C. Boss, of Chicago, who was one of the most earnest and active members of this association, one who was in almost constant service for his local association, either as director, chairman of the legislative committee, Vice-President or its President, whose devotion to the objects of this association could always be depended upon, and whose efforts in its behalf were uniformly for the complete advantage of the association, be it

"Resolved, That we, the members of the National Association of Credit Men, in convention assembled, do express our deep feeling of great loss which has come to us in the death of Mr. Boss, who had proved himself invaluable, as well to the National as to the Chicago Association,

"Resolved, That an engrossed copy of these resolutions duly authenticated by the signatures of the President and Secretary-Treasurer of the association be delivered to the family of the deceased."

Motion made and seconded that the resolution be adopted by a rising vote.

A rising vote was then taken and the motion was unanimously adopted.

Mr. Risque—The next resolution is as follows:

"WHEREAS, Death has removed from among us, W. E. North, of Cincinnati, who has always faithfully attended these conventions and until a few days ago expected to be among us here and personally present the report of the Membership Committee which has performed so well during the past year, in spite of the mortal illness of its Chairman,

"Resolved, That we, the members of the National Association of Credit Men, in convention assembled, do acknowledge the profound respect which each personally cherishes for the memory of Mr. North, and do here make note of the self-sacrificing service he rendered this association in bringing credit men within the roll of the association, winning as he did four new members in a single day just prior to his death, and further of his devotion to the upbuilding of the Cincinnati Association which he served practically from its beginning as a member of the Executive Committee, and in every movement for increasing the great usefulness of that organization, and we do now express our profound sorrow at losing so able and devoted an associate whose presence at these conventions has always been an inspiration, and whose work during all the weeks between them was of the untiring sort which strengthened the causes to which it was applied.

"Resolved, That there be delivered to the family of the deceased an engrossed copy of these resolutions, duly authenticated by the signatures of the President and Secretary-Treasurer of this association."

Motion made and seconded that the resolutions be adopted by a rising vote.

The motion was carried unanimously and the resolutions so adopted.

Mr. Risque—The next resolution presented by the committee is as follows:



Director

OLIVER H. PERRY

Columbus Buggy Co., Columbus, O.

"WHEREAS, The members of the National Association of Credit Men, the officers, delegates and visitors in attendance at the twelfth annual convention have listened with much pleasure to the able and helpful addresses delivered by E. J. Brundage, the Corporation Counsel of Chicago, Col. F. L. Dickson, of the staff of the Governor of Illinois, Harlow N. Higinbotham, of Chicago, Hon. A. E. Stratton, of Montgomery, Alabama, F. H. McAdow, of Chicago, Oscar S. Kulman, of Savannah, and Frank W. Yale, of Kansas City, therefore be it

"Resolved, That we extend to these gentlemen our thanks for their courtesy in addressing us and for the valuable counsel given to us as individuals and members of this National Association."

On motion duly made and seconded the resolution was unanimously adopted.

Mr. Risque—The next resolution recommended by the committee is as follows:

"WHEREAS, The committee of five appointed in accordance with a resolution adopted at the last convention to keep in touch with the adjustments made by the various fire insurance companies interested in the San Francisco conflagration and to inform the association of its findings, has performed to the entire satisfaction of the members a task of great magnitude and requiring the exercise of much skill and wisdom, be it

"Resolved, That the National Association of Credit Men, in convention assembled, in accepting its report and dismissing the committee does extend its heartiest thanks for the high quality of service rendered and emphatically states that the committee has put not only the members of this association but the entire commercial interests of this country in its debt."

On motion duly made and seconded the resolution was unanimously adopted.

Mr. Risque—The next resolution recommended by the committee is as follows:

"Resolved, That we, the members of this association, do most cordially extend our thanks to our President, Vice-President, Secretary-Treasurer, Board of Directors, the Chairman of the Committees on Legislation, Membership, Business, Literature, Adjustment Bureaus, Fire Insurance, Mercantile Agencies, Credit Department Methods, Investigation and Prosecution, Credit Coöperation and Bankruptcy Law, for the able and conscientious manner in which they have performed the various and important duties which devolved upon them and for the reports of unusual excellence which they have presented to this convention which indicate profound study of their subjects, and do recognize that to their zeal and fidelity in behalf of this association more than to anything else is due the firm and dignified position which the association holds in the commercial world."

On motion duly made and seconded the resolution was unanimously adopted.

Mr. Risque—The next resolution recommended by the committee is as follows:

"Resolved, That we extend to the trade reviews and the press of the country in general the sincere thanks of the association for their invariably courteous treatment in assisting to bring before the public the purposes of this association and the special features of our work; and

particularly to the daily papers of the City of Chicago, we tender our grateful acknowledgments for the prominence they have given the association in their columns during these sessions held in their midst, and for the care they have evidenced in publishing the accounts of our deliberations."

On motion duly made and seconded the resolution was unanimously adopted.

Mr. Risque—The next resolution recommended by the association is as follows:

"WHEREAS, The members of the Chicago Credit Men's Association have with such cordial and splendid generosity extended the greeting and hospitality for which their city is famed, to this Twelfth Annual Convention of the National Association of Credit Men, and

"WHEREAS, The one desire of their officers, committees and members has been to provide every possible comfort and convenience for their guests.

"Resolved, That we, the visiting members of the National Association of Credit Men do hereby tender to the Chicago Credit Men's Association, its officers, committees and all who have given us their attentions and good wishes, our warmest appreciation for the many kindnesses extended and for the splendid hospitality which we have received from their hands."

On motion duly made and seconded the resolution was unanimously adopted.

President Fessenden—I know I express the unanimous voice of this convention when I say the resolution is adopted without a negative vote.

(Great applause and three cheers and a tiger given for the Chicago Association.)

Mr. Risque—The next resolution recommended by the committee is as follows:

"WHEREAS, The social enjoyments which are properly a very important feature of our annual conventions are largely due to the gracious presence among us of many of the wives and daughters of our members, and

"WHEREAS, We are deeply indebted to the Ladies Auxiliary of the Chicago Credit Men's Association for the delightful program they arranged and carried out so successfully for the entertainment of their guests,

"Resolved, That we do express our acknowledgments of the honor the ladies have extended us in favoring us with their presence in this convention, and we trust in increasing numbers they will be in attendance upon our future conventions.

"Resolved, That we do by rising vote most gratefully and happily express our acknowledgments to the Ladies' Auxiliary of the Chicago Credit Men's Association for the open-hearted hospitality they have given our lady friends which neither they nor we shall ever forget, but which we hope we may some time be privileged to reciprocate."

On motion duly made and seconded the resolutions were unanimously adopted, by a rising vote amidst a "cyclone" of cheers for "The Ladies."

Mr. Risque—The next resolution recommended by the committee is as follows:

"WHEREAS, One of the principal objects of this association is to secure the enactment of proper commercial legislation, and,

"WHEREAS, In some sections of the country the numbers and means of our membership are inadequate to bear alone the burdens incident to obtaining such results, and,

"WHEREAS, The enactment of proper legislation redounds to the benefit of merchants in every section, therefore be it

"Resolved, That the Board of Directors of the National Association of Credit Men render such assistance, material and otherwise in this direction, as may be consistent with their ability and opportunity."

On motion duly made and seconded the resolution was unanimously adopted.

Mr. Risque—The next resolution recommended by the committee is as follows:

"WHEREAS, It gives great gratification to this body that our young and vigorous association at Oklahoma City will shortly have the benefits incident to Statehood, and,

"WHEREAS, Construction and organization of the State along proper lines in this formative period is of the utmost importance, and,

"WHEREAS, The commerce of Oklahoma is of such great value to every section of this country, be it

"Resolved, That the National Association of Credit Men in convention assembled, does express its appreciation and approval of the efforts being exerted by the Oklahoma membership to arrange for the convenient and expeditious administration of the laws in demanding that the location of its Federal court shall be determined by the advantage to the greatest number in the center of the growing commercial interests of the proposed judicial districts."

On motion duly made and seconded the resolution was unanimously adopted.

Mr. Risque—Mr. President the next two resolutions were ordered to be brought separately for the consideration of the convention. The first one is as follows:

"WHEREAS, The United States Government officials, whose duty it is to administer the National Bankruptcy Law, are frequently, by reason of insufficiency of governmental appropriations, prevented from carrying to proper conclusion, cases where ample evidence of fraud having occurred, is available, and

"WHEREAS, This association stands firmly for thorough-going prosecution of fraud in bankruptcy cases, be it

"Resolved, That the National Association of Credit Men in convention assembled does direct its committee on bankruptcy law and legislation to take steps to bring before the National Legislation and Executive departments the need of making ample appropriations for administering the National Bankruptcy Law so that full punishment may be meted out by the governmental department in cases of fraudulent bankruptcy."

On motion duly made and seconded the resolution was unanimously adopted.

Mr. Risque—The next resolution is as follows:

"WHEREAS, Consular Bill No. 1345, enacted by the Fifty-ninth Congress, April 5, 1906, is inadequate to a thorough reorganization and permanent betterment of the American Consular Service; and

"WHEREAS, The executive order of June 27, 1906, covering the important provisions stricken from said Consular Bill No. 1345, by the Senate Committee on Foreign Relations, is but a temporary measure and liable to be revoked by any future administration; therefore be it

"*Resolved*, That the National Association of Credit Men, in convention assembled, in the City of Chicago, this 14th day of June, 1907, hereby respectfully requests the Sixtieth Congress to enact additional Consular provisions in substance as follows:

'(1) Removal of the service from the sphere of political influence by enactment of the 'merit' system of examination, appointment and promotion of Consuls.'

'(2) Creation of an examining board, with examination scale of 80 to 100.'

'(3) A minimum and maximum age limit of 21 and 40 years, respectively, for admission to the service.'

'(4) Consuls to be familiar with one modern language other than English, and possess a knowledge of the natural, industrial and commercial resources and the commerce of the United States, especially with reference to the possibilities of increasing and extending the trade of the United States with foreign countries to which they are accredited.'

'(5) Tenure of office to continue only during efficiency and conduct of the highest grade.'

'(6) Complete Americanization.'

'(7) As between candidates of equal merit, proportional representation of all the states and territories in the consular service'; and be it further

"*Resolved*, That copies of this resolution be introduced in the Senate and House of Representatives, at Washington, early in the next session."

On motion duly made and seconded the resolutions were unanimously adopted.

Mr. Risque—Mr. President and gentlemen, this concludes the recommendations of the committee on resolutions. (Applause.)

A motion was then made by Mr. Bannin to take a recess of five minutes.

Motion seconded.

Mr. Bannin—I mean by a recess, until a call of the Chair.

J. A. McKee, of Philadelphia—Would it be wise or expedient to call a meeting of the Board of Directors now in the interim?

President Fessenden—I do not think I can do it. The newly elected president should preside at that meeting. The Board, too, immediately organizes by the election of a Secretary and the appointment of one or two of the committees, and the retiring president would not like to take the responsibility of calling a meeting of the Board of Directors now.

Secretary Meek—The auditing committee presents the following report.

To the Officers and Members of the National Association of Credit Men.
GENTLEMEN:

Your committee appointed for the purpose of auditing the books of the Secretary-Treasurer begs to report that it has performed its duty and takes pleasure in certifying to the correctness of the statement presented to you by the Secretary-Treasurer.

FREDERICK W. STANDART,
FRANK H. RANDEL,
O. D. MAXWELL.

Motion made, seconded and unanimously carried adopting the report.

President Fessenden—The report is adopted.

H. D. Hudson, of Minneapolis—As I understand, all of the different committees have received the thanks of the association with the exception



Director

A. P. FOUTE

Waples-Platter Grocer Co., Fort Worth, Texas.

of the Committee on Resolutions, and they could not thank themselves. I therefore offer a resolution, that a vote of thanks be extended to the Committee on Resolutions for their meritorious work.

Motion seconded and unanimously carried.

Max Silberberg, of Cincinnati—The Youngstown Association has received a letter showing the confidence that those who are not members of this association have in our National Association, and I would like to have the President read it.

The Secretary read the letter amidst great applause. It is as follows:

On the letter-head of the First National Bank of Youngstown, Ohio. F. G. King, President of the Youngstown Credit Men's Association, City.

Dear Sir:—Mr. Garlick and the writer have read with much interest your President's proclamation, and are pleased to hand you a check for \$50 which will cover our membership, with the additional amount required for courthouse record reports, and the balance you may consider as a slight token of our appreciation of the work of your association. We believe it is doing a good service for the business interests of the community.

Very truly yours,

M. E. DENNISON, Cashier.

Fisher Harris, of Salt Lake—I am here on my feet for the purpose of making an apology to this convention, and I regret that I have postponed it so long that it is almost out of order. But you may remember that at the beginning of this session a few days ago I had occasion to fight the proposition made by the committee on a new Constitution and By-Laws. Every time I made a point the distinguished gentleman who was in the Chair decided against me and declared that I was out of order, and each time that he declared I was out of order I was out of order. (Great laughter.)

The conclusions reached by the Chairman and by the convention were, in my judgment, to some extent correct, and I am not here now to attempt to reopen that question, because the hour is late, and we have to get away, and dearly as I love to hear myself talk I will restrain myself.

But I am going to offer a resolution, and we will admit in advance that the resolution is altogether out of order, and that I depend fully upon the courtesy of this convention for the privilege of its presentation.

If I were to say to Mr. Humphreys or Mr. Fessenden or any gentleman here, when you come to Salt Lake City, I want you to make my home your home, and give you the parlor bedroom, they would give me at least, however worried they might be, the courtesy of their attention, because I have never seen so charmingly polite a body of men gathered together at any one time, as the men who compose this convention. (Laughter.)

Now, the resolution that I want to offer you is somewhat broad in scope, but I want you to consider it carefully, and for fear that you may not consider it carefully I am going to take the liberty of explaining it in detail, not because I think you will not comprehend it, but for the same old reason, that I love to talk about these things. The resolution is this:

Resolved, That the National Association of Credit Men, in twelfth annual convention assembled, most respectfully requests that the Board of Directors select the City of Zion—Salt Lake City—as its next meeting place. (Great applause.)

Now, Mr. Chairman, you may not have heard it, but the hearts of 300 men in this convention second that resolution, whether they voice it

or not; and I want to tell you something, that I have attended a great many conventions and I have been turned down and defeated for office in all probability oftener than any other man within the confines of this hall (Laughter); and I think that a man ought to be proud to have distinction along some one or another of those lines.

If I were going to make a speech for Salt Lake City, I would be embarrassed in telling of the multitude of riches with which Salt Lake City is blessed; and so I will not do that; but I will say this, so that the record may be clear, that on this subject my mind could not help but scintillate with a brilliancy even greater than usual. (Laughter.)

You know they have been talking a great deal about Dixie Land today, and I do not believe in that, though my friend Uncle 'Gene does; but I was born in the South and have met these fellows from the East and North, and I never met a more delightful people in my life; and I want to express my profound surprise at their capacity for the enjoyment of the good things of life. (Great laughter and applause.)

But I have a quarrel with these people who come from the seaboard cities, Boston "Bluestocking Boston" and New York, where every man you meet in the street looks as though he had just burgled a bank or was just going to, and Baltimore, Savannah, Atlanta and Pittsburgh—I have a quarrel with you and the quarrel is, that you are most absurdly ignorant of what the western part of the United States of America means. (Great applause.)

There are those among you, coldblooded business men, always looking out for the first chance, though you are gentlemen and honest all the time, who think that when you leave New York you get in the provinces, and that the United States of America ends at Buffalo going westward, and that then you come into the provinces whose capitals are Chicago, Kansas City and St. Louis; and when you cross the Mississippi River west you get into the ultima Thule, the terra incognita, the unknown land occupied by howling cow-boys and the Western Federation of Miners (great laughter), peopled by your escaped bank cashiers and land grabbers and coal thieves. But you are mistaken for there is west of the Mississippi River a great industrial empire in the building. For sixty years it has been paying tribute to you and you have fattened upon it.

When the 24th day of July, of this year comes, 60 years will have passed, a half a century and ten, since the pioneers who landed in the valley of the great Salt Lake, for the first time in the history of the Anglo-Saxon people, turned water upon the land for the purposes of irrigation; and as a consequence, what has happened? The desert has been wiped from the face of the map. There is no longer a wilderness in that great place where once, not very many years ago, indeed within the memory of men here, there was heard nothing but the cry of the bird, and the howl of the beast in the desolate night, where you now hear the happy voices of children on their way to school, and the voices of men and women praising God. That is the result of the work done there. (Great applause.)

Are you interested in this, you business men, is it not a part of your business to know what is going on there? Look at your record books and see how long you have been fattening upon the tribute of that rapidly growing and increasing in importance section of the United States of America, one of the greatest republics the sun has ever shone on—how long are you going to ignore us?

Won't you come to see us? (Great applause.)

The gentlemen from Dixie Land talked today. I am more from

Dixie Land than any of them. But I won't go into family history. It might be embarrassing to some of my ancestors. (Great laughter.) But I was born and raised in a county in the State of Virginia over which all the armies of both sides marched during the war, and when it was over, and Appomattox had settled the matter, and Robert E. Lee had gone back to work, to show the people of the South what they should do, and all the other Lees had done the same thing—there was not a house, tree or fence, only chimneys pointing desolate to the sky, and Rachels in every household mourning for their children and refusing to be comforted. I was taught in those early days, so long ago that I do not care to discuss the length of time to sing this song—"Jeff Davis is a gentleman, but Lincoln is a fool"; but I have learned, because of the broadness of the West and good fellowship of my fellow citizens, that though Jeff Davis was a gentleman, Abraham Lincoln was the greatest man God Almighty ever made. (Great applause.)

And now we not only want you in Salt Lake City, but we need you. We need you to take part in the marvelous development of that integral part of the republic. Your presence in the City of Salt Lake, which is the one altogether lovely and the chief among ten thousand, will do more to advance the business interests of the trans-Mississippi section than all the other forces in the land.

Won't you come to Zion? (Great laughter and applause.)

I hope I am not keeping you too long.

(Voices—No, go on.)

How do you account for the marvelous development of what was a little while ago a desert land? I will tell you. Have you never before now gone out in the night time and looked up at the unclouded sky and seen the procession of the stars? Have you never before gazed on a magnificent painting where the hand of genius has fixed there on the canvas a human form so divine, that you could almost hear it speak? Have you not before now listened to a singer whose sweet voice lifted up your soul to heaven on the wings of melody?

Back of the painting was the soul of the painter. Back of the song was the heart of the singer, back of the starry heavens was the omnipotent hand of God, and back of the development of the West is the indomitable American spirit, which says we shall never fail as long as God smiles and nature is kind.

Rival cities crying their wares in the market-house, have reached maturity, and how proud they ought to be of their American existence. But what can we do for you in Salt Lake? Where on the face of God's globe is there a place where men can take you a mile above the sea level, and half way between the river and the ocean, and give you the most delightful sea-water bath you ever had? Nowhere but in Salt Lake. Where on earth can they take you into a vast temple, a model of architectural beauty, and let you listen to a thousand voices singing for your benefit until you get good old fashioned Methodist religion?

Won't you come to Zion? (Great and continued applause.)

President Fessenden—The tellers are ready to report. Mr. Foster is Chairman.

Mr. Foster—We desire to present the following report:

CHICAGO, ILL., June 14, 1907.

This is to certify that we have canvassed the vote for President and report the following:

F. M. Gettys, Louisville, 3649 votes,
T. P. Robbins, Cleveland, 3402 votes.

A. C. FOSTER,
M. H. HOISE,
F. H. RANDEL,
PHILIP PARSONS,
HOWARD MARSHALL.

(Great applause.)

Mr. New, of Cleveland—I move that the election of Mr. F. M. Gettys be made unanimous, and I do this in the name of Cleveland, and I assure the convention that Cleveland will be found in the foreground, just as much now and in the future under Gettys as we would under Robbins. (Applause.)

Mr. Burrows—I second the motion.

O. H. Perry, of Columbus—I second the motion made by the gentleman from Cleveland.

President Fessenden—It is moved and seconded that the vote for Mr. F. M. Gettys as President be made unanimous.

Unanimously carried.

President Fessenden—It is unanimous. And I will appoint Messrs. Robbins and Burrows to escort the President-elect to the platform.

(The President-elect was conducted to the platform amid great applause.)

President Gettys took the chair.

President Gettys—Ladies and gentlemen, friends, this is the greatest event that can ever possibly happen to me; but Oh, I am so sorry that we could not both win! (Applause.)

I do not hope to equal the record of my predecessors, but will endeavor to carry out their policies and shall be a willing worker; I thank you from the bottom of my heart. (Applause.)

I thank you.

(Cries for Robbins.)

Mr. Robbins—I am greatly in harmony with all that has been done, and I assure you that it is much easier to be defeated when you have so much respect, love and admiration for the successful candidate. I respect Mr. Gettys and admire him and I am very glad for many reasons that he has won the great honor; and I hope you will all understand that I am perfectly in accord with the acts of the convention. I am very glad that Mr. Gettys has this honor, and thank you all for your support and your interest in me. (Great applause.)

President Gettys—I am informed that the report on the Vice-Presidency will reach us in five minutes.

(Many voices called for Mr. Harris.)

Mr. Harris—I would like to call your attention to an oversight—it is an oversight I am sure—and that is that my resolution was not acted upon. Let me ask you to put the resolution, aye or no—which I offered and said so much about.

President Gettys—That was done under my predecessor.

Mr. Harris—It was under him, but you continue his office, and I would like a vote on it.

President Gettys—We will take a recess of five minutes.

Mr. Harris—There is nothing impossible with God and the Credit Men's Association, but I would like my resolution put.

President Gettys—Read the resolution.

Mr. Harris—The resolution was that this convention most respectfully requests that the Board of Directors shall select Salt Lake City as

its next place of meeting for the National Association. It is not binding on the Board.

Seconded.

President Gettys—You have heard the resolution that the Board of Directors be requested to select Salt Lake City as the next meeting place. All in favor of the resolution will please say aye.

President Gettys—I think it is unanimous.

Mr. Harris—It looks that way to me. (Great laughter.)

President Gettys—Mr. Burt and Mr. Silberberg will please present Mr. Barclay, who was unanimously elected First Vice-President.

(Mr. Barclay was escorted to the rostrum by Mr. Burt and Mr. Silberberg).

President Gettys—I desire to present my better half for this next administration. (Laughter and applause.)

Mr. Barclay—There are times in most every man's life when words are inadequate to express his true feeling. I occupy that position at this time, and crave your indulgence. My heart is too full for utterance. However, I cannot pass the handsome compliment which you have paid my state and city in electing to this high office one of her humblest representatives. I pledge my best efforts to maintain the high standard placed upon the office, only asking your coöperation and advice, and with that I feel sure I will not fail. I thank you one and all.

President Gettys—We will now hear the report of the committee appointed to count the votes for the Second Vice-Presidency.

J. H. Kentnor—The tellers appointed to count the votes for the Second Vice-President have the report ready:

The total number of votes cast for Second Vice-President was 6,773, of which number Mr. Ludlum received 3,418, and Mr. Given 3355.

(Applause.)

Mr. Given and Mr. Bannin were appointed a committee to escort Mr. Ludlum to the platform.

(This was done.)

Mr. Given moved that the election of Mr. Ludlum be made unanimous.

Motion seconded and unanimously carried.

Mr. Ludlum—Your electing me to this very high office puts me in a position where I am unable in words to express my appreciation of the honor that you have conferred. An office in the National Association carries with it very serious responsibilities, and I sincerely hope that during my year, in the capacity in which you have placed me, I will be able satisfactorily to serve the entire association. I shall try to maintain the dignity of the National Association, on the high plane on which it has been put and kept by the officers of past years. I thank you each and every one.

Mr. Fessenden—I am advised that it will be a long time before the vote of the Directors is known, and I suggest and move that we do not wait for the result to be known here, but that it be placed on a paper in the lobby.

Mr. Gettys—I think that is customary.

Mr. Fessenden—I put that in the form of a motion.

Motion seconded and unanimously carried.

President Gettys—Before the Chair entertains a motion to adjourn, if there is no further business, I will state that the Board of Directors will hold a meeting immediately after adjournment to hear suggestions as to the time and place for holding the national convention for 1908.



Director

GEORGE K. SMITH
Simonds Mfg. Co., Ltd., New Orleans, La.

Mr. Fessenden—Mr. Silberberg has just raised a point which may be of importance.

Mr. Silberberg—It appears to me that all the elective officers should be declared elected by the convention before we adjourn sine die, and I therefore think it is proper to suggest a recess until during the banquet. Then the vote could be announced and there and then the association could adjourn, sine die. It could be done with just a few words. Then we can have it in legal shape, whereas, if you adjourn now I do not believe the directors would be legally elected.

President Gettys—I would like it if Mr. Fessenden can give us some information on that point. He is well posted on matters of that kind.

Mr. Fessenden—I think the point of order is well taken, although I do not see any possible harm in doing it the usual way, except that the tellers might report so many votes illegally cast that there would be no election, and therefore the convention having adjourned there could be no new election; I think Mr. Silberberg is perfectly correct technically, and that it would be best to have a recess taken as suggested.

President Gettys—The election of your President leaves a vacancy in the Board of Directors. What are you going to do about that?

Mr. Fessenden—I think the Constitution says that all vacancies in the Board of Directors shall be filled by the Board of Directors.

President Gettys—That answers the question.

Mr. Silberberg—I move that a recess be taken until the convention is called to order by the President.

Motion seconded.

Mr. Silberberg—If you adjourn sine die before the announcement is made by the tellers I think it would be an illegal election to declare it after that; but if we just take a recess until the tellers bring in their report, that report could then be read to the gentlemen at the banquet, and when it is accepted you can adjourn sine die.

President Gettys—All in favor of the motion made by Mr. Silberberg and seconded, please make it known by saying aye.

(The vote was then taken and the motion was unanimously carried.)

President Gettys—We will try to handle the matter so that the banquet proceedings will not be interfered with.

Recess was then taken subject to the call of the chairman at the banquet hall at the auditorium the same day.

BANQUET HALL, AUDITORIUM HOTEL, June 14, 1907, 11.55 P. M.

President Gettys—The convention will please come to order.

I wish to explain the introduction of business into this banquet as there may be some here who left the convention hall before a recess was taken. We were unable to adjourn this afternoon because the tellers had not reported the result of the election for the Board of Directors. I have it here and I will make the announcement of the new board. There will be a meeting of this board immediately after we disperse, in Room 222. The report of the tellers is as follows:

ELECTED FOR TWO YEARS.

O. G. Fessenden, New York.....	6375
J. L. McWhorter, Nashville.....	5201
Oscar Loeffler, Milwaukee.....	4631

ELECTED FOR ONE YEAR.

A. C. Foster, Denver	4102
George H. Graves, Boston	3858
Oliver H. Perry, Columbus	3624
George K. Smith, New Orleans	3127

President Gettys—Now, I believe with this report, and if there is no other business to be transacted, a motion to adjourn is in order.

Mr. Silberberg, of Cincinnati—I move that we now adjourn sine die. Motion seconded and unanimously carried.

President Gettys—The Chair declares the meeting adjourned sine die.

ROSTER.

The following list contains the names of members registered as present at the convention:

ALABAMA.

Mobile.—A. Cramer.
Montgomery.—B. Frank, W. E. Pitts.

CALIFORNIA.

Los Angeles.—W. C. Mushet.
San Francisco.—Walter N. Kelly.

COLORADO.

Denver.—Chas. Bayly, John Callis, A. C. Foster, H. A. C. Mathew, F. L. Pond, F. W. Standart.

GEORGIA.

Atlanta.—H. E. Choate, J. R. Mobly, E. L. Rhodes, R. H. White.
Savannah.—Jacob Gazan, O. S. Kulman.

ILLINOIS.

Bloomington.—B. F. Harber.
Chicago.—G. H. Abbott, A. G. Bennett, B. E. Borges, W. T. Bruckner, G. E. Burns, J. H. Colville, E. W. Dakin, S. S. Davis, O. T. Eastman, E. R. Gilmore, Geo. W. Greiner, John Griggs, H. W. Hardy, H. Hartmann, G. H. Hovey, D. E. Humphrey, James M. Hurst, O. A. Ipsen, F. E. Kennedy, W. H. Kist, F. H. McAdow, C. E. McCullough, Wm. D. McIlvaine, W. J. McMillan, C. B. Miller, Danl. Norman, E. C. Ostermann, H. Powell, F. A. Smith, H. T. Smith, W. F. Smith, R. M. Stewart, A. Terrell, E. G. Vail, Leo Wampold, Frank A. Warren, F. L. Watson.

Danville.—Geo. Humrichouse.
Decatur.—A. J. Murray.
DeKalb.—Judson Brenner.

INDIANA.

Indianapolis.—Frank T. Day, Frank H. Goheen.
Mishawaka.—E. L. Beatty.
Muncie.—M. L. Goddard.
South Bend.—Harry A. Engman, Jr., Geo. B. Pulfer, S. D. Rider.

IOWA.

Des Moines.—A. W. Brett, W. S. Brown, C. W. Burroughs, J. A. Cattell, Jno. Callender, D. M. Douglass, Homer A. Miller.
Fort Dodge.—R. O. Green.
Sioux City.—L. E. Packer.

KANSAS.

Wichita.—Tipton Cox, Willis Davis, F. W. George, Guy M. Truex.

KENTUCKY.

Louisville.—W. S. Bowmer, W. H. Bradbury, Clarence Braden, C. P. Dawson, Hilmar Ehrmann, F. M. Gettys, S. A. Hilpp, F. R. Hubert, M. H. Moise, Ora A. Montgomery, J. M. Owen, Theodore O'Toole, R. Ruthenburg, P. J. Schlicht, C. S. Thomson.

LOUISIANA.

New Orleans.—H. M. Horton, Geo. K. Smith.

MARYLAND.

Baltimore.—S. D. Buck, W. C. Burrell, C. W. Linthicum, O. D. Maxwell, S. F. Miller, Ira Morningstar, L. B. Nolley, J. Edgar Wylie.

MASSACHUSETTS.

Boston.—Chas. L. Bird, J. A. Carson, A. W. Chesterton, John A. Denholm, George H. Graves, John J. Hennessy, Geo. H. Leach, Frank C. Swan, W. H. Thayer.

MICHIGAN.

Detroit.—Walter S. Campbell, Wm. D. Gridley, F. R. Hamburger, Thos. C. Kinsella, Herman Krolik, Wade Millis, J. W. Orr, Chas. B. Sawyer, Chas. A. Simon, Jas. J. Smith, Murray D. Wasson.

Grand Rapids.—W. M. Adams, John L. Benjamin, R. J. Cleland, H. C. Cornelius, J. F. Cramer, C. D. Crittenden, G. A. Hendricks, Charles Holden, W. C. Hopson, J. B. Hutchins, Lee M. Hutchins, J. L. Kemp, James Leenhouts, R. J. Prendergast, W. K. Plumb, M. Richard, A. A. Rinker, John Sehler, George F. Sinclair, H. T. Stanton, E. A. Stowe, Fred. D. Vos, Jr., Claude P. Wykes.

MINNESOTA.

Duluth.—W. B. Cross, F. H. Green, J. O. Lenning, F. W. Parsons, Daniel Waite.

Minneapolis.—M. C. Badger, T. H. Green, J. H. Hiscock, J. P. Holliday, H. D. Hudson, W. S. Hughes, F. Würtzbach, Jr.

St. Paul.—H. A. Boardman, Harry K. Huntoon, C. D. Maclaren, Victor Robertson, D. L. Sawyer, F. H. Suffel, F. C. Vanderburg, R. J. Wood.

MISSOURI.

Chillicothe.—C. F. Adams.

Kansas City.—H. F. Field, D. B. McCoy, H. G. Moore, Geo. Osmond, Jno. L. Powell, Sam H. Smith, I. D. Waggener, C. R. Woodruff, Frank W. Yale.

St. Joseph.—Sid. Beery, C. S. Dickey, W. K. Donovan, S. Woodson Hundley, B. C. Pinger.

St. Louis.—A. E. Baker, G. R. Barclay, C. W. Bell, J. R. Cooke, J. H. Conrades, A. E. Dann, Wm. T. Dowdall, A. H. Foote, G. H. Fox, B. F. Goodwin, Thrasher Hall, Thos. M. Harding, F. B. Hornby, J. H. Kentnor, E. W. Mangson, Theo. F. Mangson, C. M. Marriott, E. S. Murphy, F. E. Norwine, Henry H. Pickett, F. W. Risque, C. C. Robertson, Samuel Rosenfeld, L. B. Springer, J. B. Strauch, G. A. Weiss.

NEBRASKA.

Lincoln.—E. G. Evans, J. D. Lau, M. Weil.

Omaha.—E. M. Andreesen.

NEW JERSEY.

Newark.—Otto L. Herdrich, Chas. H. Sansom.

NEW YORK.

Buffalo.—Alfred H. Burt, W. D. Chipp, W. M. Edwards, A. J. Hoefner, Fred. Horning, Wm. A. Joyce, S. C. Ryan, H. C. Steul, B. F. Stinson.

New York.—R. G. Agnew, A. H. Alexander, W. S. Armstrong, M. E. Bannin, T. H. Bartindale, Charles Biggs, A. B. Bishop, Paul Coolidge, C. W. Cowles, David Davis, F. K. Dolbeer, I. E. Edgar,

F. S. Flagg, Joseph Fletcher, J. L. Geist, C. C. Haigh, Edward Hiler, O. W. Hill, E. E. Huber, W. A. Jones, Hugo Kanzler, L. G. Kibbe, H. W. Lazelle, T. J. McGuire, Howard Marshall, B. E. Martin, James Matthews, Geo. O'Neil, H. S. Patterson, A. E. Pierce, Wm. A. Prendergast, Nathan Rich, E. T. Ross, Owen Shepherd, J. R. Thomas, A. H. Watson, E. A. Whitman, Geo. H. Williams.

Rochester.—W. B. Conklin, Irving Hoyt, Philip Present, I. A. Wile.
Syracuse.—L. John Bergman.

OHIO.

Canton.—G. C. Kimbark.

Cincinnati.—Max Agger, Henry Bentley, S. S. Doggett, Geo. Guckenberger, W. A. Hopple, W. B. Johnston, Chas. Meininger, Jr., W. H. Muench, W. H. Murphy, S. G. Rosson, Max Silberberg, H. F. Taylor.

Cleveland.—J. H. Allport, F. R. Baer, A. M. Barnes, Chas. W. Burrows, T. E. Crawford, W. E. Crofut, Henry A. Day, Fred. C. Dorn, W. B. Fish, A. J. Gaehr, W. F. Gillette, B. P. Grunauer, C. L. Howells, G. W. Jacobs, J. B. Jones, J. C. Jones, J. E. Leighton, W. F. Lyon, W. M. Mills, O. E. Moeller, Harry New, Chas. H. Parsons, W. M. Pattison, J. B. Pearce, Fred. E. Pile, Thos. F. Quigley, F. H. Randel, W. E. Rice, Thos. P. Robbins, J. A. Robinson, Thos. D. Russell, J. D. Sackett, Floyd D. Shook, Kenneth R. Taylor, B. F. Wade, Chas. H. Wells, John R. Wyllie.

Columbus.—C. P. Crane, F. E. Huggins, C. W. Miller, E. K. Morris, O. H. Perry, Wm. Scarlett, A. P. Scofield, Benson G. Watson.

Coshocton.—E. O. Selby.

East Liverpool.—J. W. Irwin.

Mansfield.—H. S. Black, Wm. Jesson.

Piqua.—F. E. D. Keplinger.

Toledo.—George B. Cole, Lewis B. Hall, J. H. Paddock, Lawrence Raab, George M. Vogel.

Youngstown.—S. D. Currier, Geo. Gairing, Chas. W. Gilgen, W. C. McKain, Ed. Probst, A. D. Thomas, Thomas M. Willison.

OKLAHOMA.

Oklahoma City.—J. E. O'Neil, H. Y. Thompson, T. D. Turner.

OREGON.

Portland.—Paul De Haas.

PENNSYLVANIA.

Philadelphia.—Adolph Ahrens, Jr., Chas. L. Besselièvre, Robert Biddle, 2nd, D. G. Endy, Frank S. Evans, Louis Fleisher, Henry Freund, Chas. D. Joyce, G. L. Levi, David S. Ludlum, J. A. McKee, George Masters, H. E. Moody, A. W. Pickford, Chas. G. Rapp, J. Howard Reber, S. W. Severson, Albert W. Sheffer, Frank D. Sweeten, Chas. H. Wolf.

Pittsburgh.—S. H. Anderson, J. C. Andrews, H. F. Carr, Wm. H. Connell, W. L. Danahey, A. R. Darragh, Frank E. Freese, W. A. Given, W. K. Given, D. F. Hadley, G. B. Hill, H. P. Howell, S. C. Knode, Cyrus Lewis, J. T. Montgomery, J. A. Ohl, Jas. E. Porter, C. A. Rinehart, Geo. W. Ryan, W. H. Sproull.

TENNESSEE.

Memphis.—H. A. Burkhardt, Edward S. Elliott, J. A. Ely, C. S. Faxon, C. O. Finnie, L. T. Ford, W. R. King, T. J. Nealis, Wm. Orgill, J. R. Paine, W. E. Stansbury, J. V. Sullivan, W. A. Williford.

Nashville.—E. O. Harris, N. H. Harrison, Jas. T. Jenkins, Ben Lindauer, H. L. Lipscomb, A. H. Meyer, H. H. Nance, J. H. Orr, T. B. Rowls, Harris Solinsky, E. S. Shannon, H. L. Sperry, Geo. M. Thomas.

TEXAS.

Dallas.—M. M. Blakeney, L. E. Burgess, S. J. Hay, C. W. Hobson, H. D. Lindsley, W. P. Peter, J. W. Riley, J. J. Simmons.

Fort Worth.—A. P. Foute, H. E. Gardner, Geo. Q. McGown, F. M. Rogers, R. P. Smith.

UTAH.

Salt Lake City.—Jno. T. Critchlow, Fisher Harris, Arthur Parsons, H. Van Dam, Jr., J. T. Young.

VIRGINIA.

Lynchburg.—J. M. Funkhouser, L. D. Horner.

Richmond.—Benjamin T. Crump, M. C. Harris, W. W. Harris, J. S. Parrish.

WASHINGTON.

Seattle.—J. W. Spangler, Jr.

Spokane.—J. B. Campbell, A. L. Wright.

WISCONSIN.

Milwaukee.—R. D. Barney, H. M. Battin, H. L. Eisen, L. Friedman, M. A. Graettinger, A. C. Hahn, Geo. T. Hamilton, Oscar Kasten, A. Landauer, Wm. I. Lane, Oscar Loeffler, C. M. Loring, Rich. J. Morawetz, H. Max Oberndorfer, Rich. J. Penney, A. N. Ritz, F. G. Smith, W. B. Strong, H. H. Schwarting, E. S. Unke, S. Fred. Wetzler.

Green Bay.—H. G. Stolz.

Port Washington.—O. E. Moeser.

Individual members represented by proxy.

Albert C. Case, New York, N. Y.....W. S. Armstrong
Church & Dwight Co., New York, N. Y.....W. S. Armstrong
Wm. Fish, Jr., & Co., New York, N. Y.....W. S. Armstrong
U. T. Hungerford Brass & Copper Co., New York, N. Y.....W. S. Armstrong
H. W. Johns-Manville Co., New York, N. Y.....W. S. Armstrong
I. T. Williams & Sons, New York, N. Y.....W. S. Armstrong
Salisbury & Satterlee Co., Minneapolis, Minn.....M. C. Badger
The First National Bank, Janesville, Wis.....H. M. Battin
Janesville Barb Wire Co., Janesville, Wis.....H. M. Battin
La Crosse Boot & Shoe Mfg. Co., La Crosse, Wis..H. M. Battin
Fuller & Johnson Mfg. Co., Madison, Wis.....H. M. Battin
Gould, Wells & Blackburn Co., Madison, Wis....H. M. Battin
Northern Electrical Mfg. Co., Madison, Wis.....H. M. Battin
Plumb & Nelson Co., Manitowoc, Wis.....H. M. Battin
First National Bank, Marinette, Wis.....H. M. Battin
Lauerman Bros. Co., Marinette, Wis.....H. M. Battin
The Stephenson National Bank, Marinette, Wis...H. M. Battin
The Fox River Val. Knit. Co., Menasha, Wis....H. M. Battin
Bergstrom Paper Co., Neenah, Wis.....H. M. Battin
The Oshkosh Trunk Co., Oshkosh, Wis.....H. M. Battin
J. M. Kohler Sons Co., Sheboygan, Wis.....H. M. Battin
Sheboygan Chair Co., Sheboygan, Wis.....H. M. Battin

Boston Rubber Shoe Co., Boston, Mass.....	Chas. L. Bird
Brown, Durrell & Co., Boston, Mass.....	Chas. L. Bird
The Carter's Ink Co., Boston, Mass.....	Chas. L. Bird
New England Cotton Yarn Co., Boston, Mass.....	Chas. L. Bird
Seaver & Co., Boston, Mass.....	Chas. L. Bird
Chas. A. Eaton Co., Brockton, Mass.....	Chas. L. Bird
Whittemore Bros. & Co., Cambridge, Mass.....	Chas. L. Bird
The Belcher & Taylor Agr'l Tool Co., Chicopee Falls, Mass.	Chas. L. Bird
The Fisk Rubber Co., Chicopee Falls, Mass.....	Chas. L. Bird
J. Stevens Arms & Tool Co., Chicopee Falls, Mass.....	Chas. L. Bird
Whitmore Mfg. Co., Holyoke, Mass.....	Chas. L. Bird
A. H. Rice Co., Pittsfield, Mass.....	Chas. L. Bird
T. L. Barber & Co., South Framingham, Mass....	Chas. L. Bird
E. Jones & Co., Spencer, Mass.....	Chas. L. Bird
Cutler & Porter Co., Springfield, Mass.....	Chas. L. Bird
The Chas. C. Lewis Co., Springfield, Mass.....	Chas. L. Bird
Victor Sporting Goods, Co., Springfield, Mass....	Chas. L. Bird
Wm. H. Burns Co., Worcester, Mass.....	Chas. L. Bird
A. F. Behnke & Co., St. Paul, Minn.....	H. A. Boardman
Noyes Bros. & Cutler, St. Paul, Minn.....	H. A. Boardman
Geo. Benz & Sons, St. Paul, Minn.....	H. A. Boardman
Daniel Miller & Co., Baltimore, Md.....	S. D. Buck
Michael Bros. Co., Athens, Ga.....	H. E. Choate
Lamar, Taylor & Riley Drug Co., Macon, Ga.....	H. E. Choate
The McIntosh Hardware Corporation, Cleveland, Ohio	T. E. Crawford
E. C. Atkins & Co., Indianapolis, Ind.....	Frank T. Day
Crowder-Cooper Shoe Co., Indianapolis, Ind.....	Frank T. Day
Fahndley & McCrea Millinery Co., Indianapolis, Ind..	Frank T. Day
Geddes-Brown Shoe Co., Indianapolis, Ind.....	Frank T. Day
Kothe, Wells & Bauer, Indianapolis, Ind.....	Frank T. Day
Nordyke & Marmon Co., Indianapolis, Ind.....	Frank T. Day
The Aultman & Taylor Machinery Co., Mansfield, Ohio	Henry A. Day
The Simon Notion Co., Joplin, Mo.	C. S. Dickey
Groneweg & Schoentgen Co., Council Bluffs, Iowa.	D. M. Douglass
H. B. Glover Co., Dubuque, Iowa.....	D. M. Douglass
Rider, Wallis Co., Dubuque, Iowa.....	D. M. Douglass
Landauer & Co., Milwaukee, Wis.....	H. L. Eisen
The Enterprise Mfg. Co., Philadelphia, Pa.....	Frank S. Evans
Manhattan Shoe Co., New York, N. Y.....	Frank S. Flagg
Gauss-Langenberg Hat Co., St. Louis, Mo.....	A. H. Foote
McKean, Eilers & Co., Austin, Texas.....	A. P. Foute
Webb, Taylor & Perry, Austin, Texas.....	A. P. Foute
Bokenfohr & Monahan, Beaumont, Texas.....	A. P. Foute
Heisig & Norvell, Inc., Beaumont, Texas.....	A. P. Foute
Industrial Lumber Co., Beaumont, Texas.....	A. P. Foute
The T. S. Reed Grocery Co., Beaumont, Texas....	A. P. Foute
Stedman Fruit Co., Beaumont, Texas.....	A. P. Foute
L. Frank Saddlery Co., San Antonio, Texas.....	A. P. Foute
Frost National Bank, San Antonio, Texas.....	A. P. Foute
C. H. Cox & Co., Waco, Texas.....	A. P. Foute
Omar Dodson, Maysville, Ky.....	F. M. Gettys
City National Bank, Paducah, Ky.....	F. M. Gettys
Germer Stove Co., Erie, Pa.....	W. A. Given

Hanson Furniture Co., Janesville, Wis.....	G. T. Hamilton
Rochester Stamping Co., Rochester, N. Y.....	Irving F. Hoyt
Lewis P. Ross, Rochester, N. Y.....	Irving F. Hoyt
Schlegel Mfg. Co., Rochester, N. Y.....	Irving F. Hoyt
Estey Mfg. Co., Owosso, Mich.....	Lee M. Hutchins
The Wm. Barie Dry Goods Co., Saginaw, Mich....	Lee M. Hutchins
The Smart & Fox Co., Saginaw, Mich.....	Lee M. Hutchins
A. D. Juilliard & Co., New York, N. Y.....	Hugo Kanzler
Foster Bros. Mfg. Co., Utica, N. Y.....	Hugo Kanzler
Charles Millar & Son Co., Utica, N. Y.....	Hugo Kanzler
Old National Bank, Oshkosh, Wis.....	Oscar Kasten
Joannes Bros. Co., Green Bay, Wis.....	Adolph Landauer
J. J. Hogan, La Crosse, Wis.....	Wm. I. Lane
Bittenbender & Co., Scranton, Pa.	G. L. Levi
Selz, Schwab & Co., Chicago, Ill.....	F. H. McAdow
Deere & Mansur Co., Moline, Ill.....	F. H. McAdow
Hartz & Bahnsen Co., Rock Island, Ill.....	F. H. McAdow
John W. Munn & Co., Springfield, Ill.....	F. H. McAdow
Spielmann & Co., New York, N. Y.....	T. J. McGuire
Baker Underwear Co., Peekskill, N. Y.....	Howard Marshall
Adriance, Platt & Co., Poughkeepsie, N. Y.....	Howard Marshall
Ripon Knitting Works, Ripon, Wis.....	Richard J. Morawetz
Crocker Chair Co., Sheboygan, Wis.....	Richard J. Morawetz
H. Mueller Mfg. Co., Decatur, Ill.....	A. J. Murray
California Cotton Mills Co., Oakland, Cal.....	W. C. Mushet
Cleveland Woolen Mills, Cleveland, Tenn.....	H. H. Nance
The Cleveland Provision Co., Cleveland, Ohio....	Harry New
Brown Manufacturing Co., Zanesville, Ohio.....	W. M. Pattison
The M. O'Neil & Co., Akron, Ohio.....	J. B. Pearce
The Gilbert Grocery Co., Portsmouth, Ohio.....	J. B. Pearce
La Belle Iron Works, Steubenville, Ohio.....	J. B. Pearce
American Exchange National Bank, Dallas, Texas.	W. P. Peter
J. Oppenheimer & Co., San Antonio, Texas.....	W. P. Peter
Wm. Cameron & Co., Inc., Waco, Texas.....	W. P. Peter
James G. Cannon, New York, N. Y.....	Wm. A. Prendergast
H. M. Wolfe, New York, N. Y.....	Wm. A. Prendergast
Bausch & Lomb Optical Co., Rochester, N. Y.....	Philip Present
E. P. Reed & Co., Rochester, N. Y.....	Philip Present
A. C. Staley Mfg. Co., South Bend, Ind.....	G. B. Pulfer
Crowell Publishing Co., Springfield, Ohio.....	T. F. Quigley
Reading Hardware Co., Reading, Pa.....	Chas. G. Rapp
Johnson, King & Co., Macon, Ga.....	Ernest L. Rhodes
Cleveland Leader, Cleveland, Ohio	Thos. P. Robbins
Pickands, Mather & Co., Cleveland, Ohio.....	Thos. D. Russell
The Enterprise Mfg. Co., Akron, Ohio.....	J. D. Sackett
National Bank of New Jersey, New Brunswick, N.J.	Chas. H. Sansom
Murray-Griffith & Messler, Trenton, N. J.....	Chas. H. Sansom
Nicols, Dean & Gregg, St. Paul, Minn.....	D. L. Sawyer
Leitchfield Clothing Co., Louisville, Ky.....	J. H. Scales
Friedman, Keiler & Co., Paducah, Ky.....	J. H. Scales
M. Livingston & Co., Paducah, Ky.....	J. H. Scales
R. Blankenburg & Co., Philadelphia, Pa.....	S. W. Severson
Folwell Bros. & Co., Inc., Philadelphia, Pa.....	S. W. Severson
Shoemaker & Busch, Philadelphia, Pa.....	S. W. Severson
Smith, Kline & French Co., Philadelphia, Pa.....	S. W. Severson
Fox River Paper Co., Appleton, Wis.....	Frank G. Smith

S. & J. Katz & Co., New Orleans, La.....	Geo. K. Smith
Seattle Hardware Co., Seattle, Wash.....	J. W. Spangler, Jr.
The Holt Manufacturing Co., Walla Walla, Wash..	J. W. Spangler, Jr.
First National Bank, Milwaukee, Wis.....	LeRoy L. Stone
J. I. Case Threshing Machine Co., Racine, Wis....	LeRoy L. Stone
Benjamin Young, Milwaukee, Wis.....	W. B. Strong
Kingsley Paper Co., Cleveland, Ohio.....	Kenneth R. Taylor
The Stanton & Balmert Co., Portsmouth, Ohio....	Kenneth R. Taylor
John Gund Brewing Co., La Crosse, Wis.....	E. L. Unke
Foley Bros. & Kelly, St. Paul, Minn.....	R. J. Wood
Batavia National Bank, La Crosse, Wis.....	S. Fred. Wetzler

SUMMARY OF REGISTRATION.

Members present	462
Individual members represented by proxy.....	142
Ladies and visitors present	184
Total	<u>788</u>

Directory of Officers of the Affiliated Branches of the National Association of Credit Men.

BRANCH ASSOCIATIONS.

ATLANTA, GA.—The Credit Men's Association of Atlanta. President R. H. White, Everett, Ridley Co.; Secretary, E. L. Rhodes, Ernest L. Rhodes & Co.

BALTIMORE, MD.—The Credit Men's Association of Baltimore. President, F. J. La Motte, The Chesapeake Shoe Co.; Secretary, S. D. Buck, Maryland National Bank Bldg.

BIRMINGHAM, ALA.—Birmingham Credit Men's Association. President, H. W. Coffin, Moore & Handley Hardware Co.; Secretary, G. B. McVay, Amzi Godden Seed Co.; Assistant Secretary, R. H. Eggleston.

BOISE, IDAHO.—The Boise Association of Credit Men, Ltd. President, J. G. H. Graveley, Capital Brokerage and Comm. Co.; Secretary, Charles P. McCarthy, Room 1, Pioneer Bldg.

BOSTON, MASS.—Boston Credit Men's Association. President, Geo. H. Graves, Walworth Mfg. Co.; Secretary, Chas. L. Bird, 77 Summer Street.

BUFFALO, N. Y.—Buffalo Credit Men's Association. President, W. A. Joyce, W. H. Walker & Co.; Secretary, Fred Whittlesey, 39 Erie Street.

BUTTE, MONT.—Butte Association of Credit Men. President, Chas. E. Virden, Ryan & Newton Co.; Secretary, R. Frank Casey, Casey Candy Co.

CHARLESTON, S. C.—Charleston Association of Credit Men. President, B. F. McLeod, Drake-Inness-Green Shoe Co.; Secretary, H. D. Lubs, C. D. Franke & Co.

CHATTANOOGA, TENN.—Chattanooga Association of Credit Men. J. H. Allison, J. H. Allison & Co.; Secretary, W. B. Royster, Chamber of Commerce.

CHICAGO, ILL.—The Chicago Credit Men's Association. President, Wm. J. McMillan, The N. K. Fairbank Co.; Secretary, John Griggs, 218 La Salle Street.

CINCINNATI, O.—The Cincinnati Credit Men's Association. President, George Guckenberger, Atlas National Bank; Secretary, Henry Bentley, 1201 Union Trust Bldg.

CLEVELAND, O.—Cleveland Association of Credit Men. President, Harry New, Landman-Hirschheimer Co.; Secretary, Kenneth R. Taylor, 812 Park Bldg.

COLUMBUS, O.—Columbus Credit Men's Association. President, O. H. Perry, Columbus Buggy Co.; Secretary, Benson G. Watson, 601-605 The New First National Bank Bldg.

DALLAS, TEX.—Dallas Association of Credit Men. President, H. P. McKnight, Texas Drug Co.; Secretary, W. P. Peter, 214-218 Linz Bldg.

DENVER, COL.—The Denver Credit Men's Association. President, R. R. Gillette, J. S. Brown & Bro. Merc. Co. Secretary, A. K. Mackenzie, Liebhardt Fruit Co.; Assistant Secretary, H. A. C. Mathew, 407-8 Sugar Building.

DES MOINES, IOWA.—Des Moines Credit Men's Association. President, W. F. Mitchell, Chamberlain Medicine Co.; Secretary, D. M. Douglass, Bentley & Olmsted Co.

DETROIT, MICH.—Detroit Credit Men's Association. President, Chas. B. Sawyer, The Pingree Co.; Secretary, W. S. Campbell, 33 Peninsular Savings Bank Bldg.

DULUTH, MINN.—The Jobbers' Credit Association. (Duluth-Superior.) President, W. B. Cross, F. A. Patrick & Co.; Assistant Secretary, F. H. Green, 305 Burrows Bldg.

FORT WORTH, TEX.—Fort Worth Association of Credit Men. President, T. E. Blanchard, Waples-Platter Gro. Co.; Secretary, Geo. O. McGown, Reynolds Bldg.

GRAND RAPIDS, MICH.—Grand Rapids Credit Men's Association. President, H. C. Cornelius, Wolverine Brass Works;

Secretary, Charles Holden, Holden & Hardy.

HOUSTON, TEX.—Houston Association of Credit Men. President, E. A. Peden, Peden Iron & Steel Co.; Secretary, Sterling Myer, Hunt, Myer & Townes.

JACKSONVILLE, FLA.—Jacksonville Credit Men's Association. President, R. V. Covington, Covington Co.; Secretary, J. W. Clark.

KANSAS CITY, MO.—Kansas City Association of Credit Men. President, H. G. Moore, Big Four Implement Co.; Secretary, Frank W. Yale, 770 Gibraltar Bldg.

LEXINGTON, KY.—Lexington Credit Men's Association. President, R. D. Norwood, Curry, Tunis & Norwood; Secretary, C. L. Williamson, McClelland Bldg.

LINCOLN, NEB.—Lincoln Credit Men's Association. President, W. B. Ryons, Columbia Natl. Bank; Secretary, E. G. Evans, Henkle & Joyce Hdw. Co.

LOS ANGELES, CAL.—Los Angeles Credit Men's Association. President, Herman Flatau, M. A. Newmark & Co.; Secretary, W. C. Mushet, 323 Bullard Bldg.

LOUISVILLE, KY.—Louisville Credit Men's Association. President, J. H. Scales, The Belknap Hdw. and Mfg. Co.; Secretary, R. Ruthenburg, U. S. Trust Co. Bldg.

LYNCHBURG, VA.—Lynchburg Credit Men's Association. President, N. B. Handy, N. B. Handy & Co.; Secretary, R. Winston Harvey, Craddock-Terry Co.

MEMPHIS, TENN.—The Memphis Credit Men's Association. President, C. S. Faxon, Carruthers-Jones Shoe Co.; Secretary, H. A. Burkhardt, 204 Royal Bldg.

MILWAUKEE, WIS.—The Milwaukee Association of Credit Men. President W. B. Strong, Milwaukee Drug Co.; Secretary, H. M. Battin, Standard Oil Co.

MINNEAPOLIS, MINN.—Minneapolis Credit Men's Association. President, J. H. Hisecock, Minneapolis Furniture Co.; Secretary, M. C. Badger, Patterson & Stevenson Co.

NASHVILLE, TENN.—Nashville Credit Men's Association. President, E. O. Harris, Harris, Davis & Co.; Secretary, Geo. M. Thomas, American Bldg.; Assistant Secretary, Chas. H. Warwick.

NEWARK, N. J.—Newark Association of Credit Men. President, W. A. Hart, L. S. Plaut & Co.; Secretary, J. Fred Braun, J. J. Hockenjos Co.

NEW ORLEANS, LA.—New Orleans Credit Men's Association. President, Geo. K. Smith, Simonds Mfg. Co., Ltd.; Secretary, T. J. Bartlette, Williams, Richardson & Co., Ltd.

NEW YORK, N. Y.—The New York Credit Men's Association. President, W. S. Armstrong, American Felt Co.; Secretary, A. H. Alexander, 320 Broadway.

NORFOLK, VA.—Norfolk Credit Men's Association. President, Chas. Hoofnagle, The Four Co.; Secretary, C. L. Conradt, Old Dominion Tobacco Co.; Assistant Secretary, H. N. Poulson.

OKLAHOMA CITY, OKLA.—Oklahoma City Credit Men's Association. President, T. D. Turner, T. D. Turner & Co.; Secretary, Geo. H. Thomas, New State Brewing Association.

OMAHA, NEB.—The Omaha Association of Credit Men. President, T. W. Austin, American Hand-Sewed Shoe Co., Secretary, E. G. Jones, Hayden Bros.

PHILADELPHIA, PA.—The Philadelphia Credit Men's Association. President, Charles G. Rapp, Young, Smyth, Field Co.; Secretary, S. W. Severson, Room 801, No. 1011 Chestnut Street.

PITTSBURGH, PA.—Pittsburgh Association of Credit Men. President, W. A. Given, The Pittsburgh Dry Goods Co.; Secretary, Elliott Frederick, 716 Frick Bldg.

- PORTLAND, ORE.**—Portland Association of Credit Men. President, E. B. Rutherford, M. Sells & Co.; Secretary, E. M. Underwood, Failing, Haines & McCalman.
- RICHMOND, VA.**—Richmond Credit Men's Association. President, John Landstreet, R. A. Patterson Tobacco Co.; Secretary, Jo. Lane Stern, 1014 Main Street.
- ROCHESTER, N. Y.**—The Rochester Credit Men's Association. President, Philip Present; Secretary, Edward Weter, Yawman & Erbe Mfg. Co.
- ST. JOSEPH, MO.**—St. Joseph Credit Men's Association. President, C. R. Bernard, John S. Brittain D. G. Co.; Secretary, F. H. Shackelford, Geo. Cooke Crockery Co.
- ST. LOUIS, MO.**—The St. Louis Credit Men's Association. President, J. H. Conrades, J. H. Conrades, C. & P. Furn. Co.; Secretary, A. H. Foote, Dolph Bldg.
- ST. PAUL, MINN.**—St. Paul Credit Men's Association. President, H. A. Baker, Foley Bros. & Kelly; Secretary, H. W. Parker, Merchants' National Bank.
- SALT LAKE CITY, UTAH.**—The Utah Association of Credit Men. President, Arthur Parsons. Assistant Secretary and Manager, Herbert Van Dam, P. O. Box 419.
- SAN ANTONIO, TEX.**—San Antonio Association of Credit Men. President, Jake Wolff, J. Oppenheimer & Co.; Secretary, G. A. C. Half, A. B. Frank Co.
- SAN DIEGO, CAL.**—The Credit Association of San Diego. President, J. P. Haddock, Cook-Haddock Co.; Secretary, Sam Ferry Smith, 841 Fifth Street.
- SAN FRANCISCO, CAL.**—San Francisco Credit Men's Association. President, G. Brenner, Elkus-Brenner Co.; Secretary, Ben Armer, 2707 Sacramento Street.
- SAVANNAH, GA.**—Savannah Credit Men's Association. President, W. F. Scherff, S. Guckenheimer's Sons; Secretary, W. J. Donlan, Chamber of Commerce.
- SEATTLE, WASH.**—Seattle Credit Men's Association. President, Geo. F. Telfer, National Grocery Co.; Secretary, J. W. Spangler, Jr., Dexter, Horton & Co.
- SIOUX CITY, IA.**—Sioux City Bureau of Credits; President, R. M. Baker, 1437 Douglas Street; Secretary-Treasurer, C. N. Lukes, Security National Bank.
- SIOUX FALLS, S. D.**—Sioux Falls Credit Men's Association. President J. P. Adams, Haley & Lang Co.; Secretary, R. J. Cone, Manchester Biscuit Co.
- SPOKANE, WASH.**—Spokane Merchants' Association. President, A. W. Doland, Spokane Drug Co.; Secretary, J. B. Campbell, 308 Empire State Bldg.
- TOLEDO, O.**—Toledo Association of Credit Men. President, J. H. Paddock, The Paddock-Overmyer Co.; Secretary, Lewis B. Hall, 1037 Spitzer Bldg.
- TROY, N. Y.**—Troy Credit Men's Association. President, Hugh Galbraith, The Boutwell Milling & Grain Co.; Secretary, Wm. Colvin, Jr., Josiah Young.
- WHEELING, W. VA.**—The Wheeling Credit Men's Association. President, Chas. W. Franzheim, The Wheeling Potteries Company; Secretary, Samuel W. Harper, Harper & Bro.
- WICHITA, KAN.**—Wichita Credit Men's Association. President, Willis Davis, Southwestern Drug Co.; Secretary, F. W. George, Shattuck-George Iron Co.
- YOUNGSTOWN, O.**—Youngstown Credit Men's Association. President, F. G. King, The Youngstown D. G. Co.; Secretary, Charles W. Gilgen, Chamber of Commerce.

Directory of Adjustment Bureaus.

Bureaus for the adjustment of insolvent estates are operated in the following cities, under the authority and supervision of their local Associations of Credit Men. All are affiliated branches of the National Association of Credit Men. Address all communications on Adjustment Bureau matters to the parties named:

- BALTIMORE, MD.**—S. D. Buck, Maryland National Bank Building.
- BUFFALO, N. Y.**—F. Whittlesey, 39 Erie Street.
- CHICAGO, ILL.**—M. C. Rasmussen, Mgr., 218 La Salle St.
- CINCINNATI, OHIO.**—Henry Bentley, 1201 Union Trust Building.
- CLEVELAND, OHIO.**—W. E. Rice, 209 American Trust Building.
- COLUMBUS, OHIO.**—B. G. Watson, 601-605 The New First National Bank Bldg.
- DALLAS, TEXAS.**—W. P. Peter, 214-218 Linz Building.
- DENVER, COLO.**—C. N. Kinney, 409 Sugar Building.
- DES MOINES, IOWA.**—A. W. Brett, 218 Clapp Block.
- FORT WORTH, TEXAS.**—Geo. Q. McGown, Reynolds Building.
- GRAND RAPIDS, MICH.**—R. J. Cleland, 427 Houseman Building.
- KANSAS CITY, MO.**—Frank W. Yale, 770 Gibraltar Building.
- LOS ANGELES, CAL.**—W. C. Mushet, Bullard Building.
- LOUISVILLE, KY.**—R. Ruthenburg, United States Trust Co. Building.
- MEMPHIS, TENN.**—H. A. Burkhardt, 204 Royal Building.
- MILWAUKEE, WIS.**—S. Fred Wetzler, 64-67 Loan and Trust Bldg.
- MINNEAPOLIS, MINN.**—F. H. Suffel, 666 Gilfillen Block, St. Paul, Minn.
- NASHVILLE, TENN.**—Geo. M. Thomas, American Building.
- NEW ORLEANS, LA.**—H. M. Horton, Godchaux Building.
- NEW YORK, N. Y.**—Bureau of Insolvency Claims, Room 1117, 320 Broadway.
- PHILADELPHIA, PA.**—Edmund S. Mills, Room 801, 1011 Chestnut Street.
- PITTSBURGH, PA.**—Geo. E. Reynolds, 716 Frick Building.
- PORTLAND, ORE.**—R. L. Sabin, No. 1 Front Street.
- RICHMOND, VA.**—Jo. Lane Stern, 1014 Main Street.
- ROCHESTER, N. Y.**—I. A. Wile, 1008 Granite Building.
- ST. JOSEPH, MO.**—Sidney Beery, German-American Bank Building.
- ST. PAUL, MINN.**—F. H. Suffel, 666 Gilfillen Block.
- SALT LAKE CITY, UTAH.**—Herbert Van Dam, P. O. Box 419.
- SAN DIEGO, CAL.**—Sam Ferry Smith, 841 Fifth Street.
- SEATTLE, WASH.**—I. H. Jennings, 312 Bailey Building.
- SPOKANE, WASH.**—J. B. Campbell, 308 Empire State Building.
- YOUNGSTOWN, OHIO.**—W. C. McKain, Dollar Savings and Trust Building.

BULLETIN

OF THE

AMERICAN ASSOCIATION OF

PHYSIOLOGISTS

FOR THE ADVANCEMENT OF THE STUDY OF

PHYSIOLOGY

AND THE

TEACHING OF PHYSIOLOGY

IN THE

UNITED STATES

AND

CANADA

AND

THE

WEST INDIES

AND

THE

ISLANDS

OF THE

PACIFIC

OCEAN

AND

THE